Megaport

GLOBAL UPDATE

1QFY23

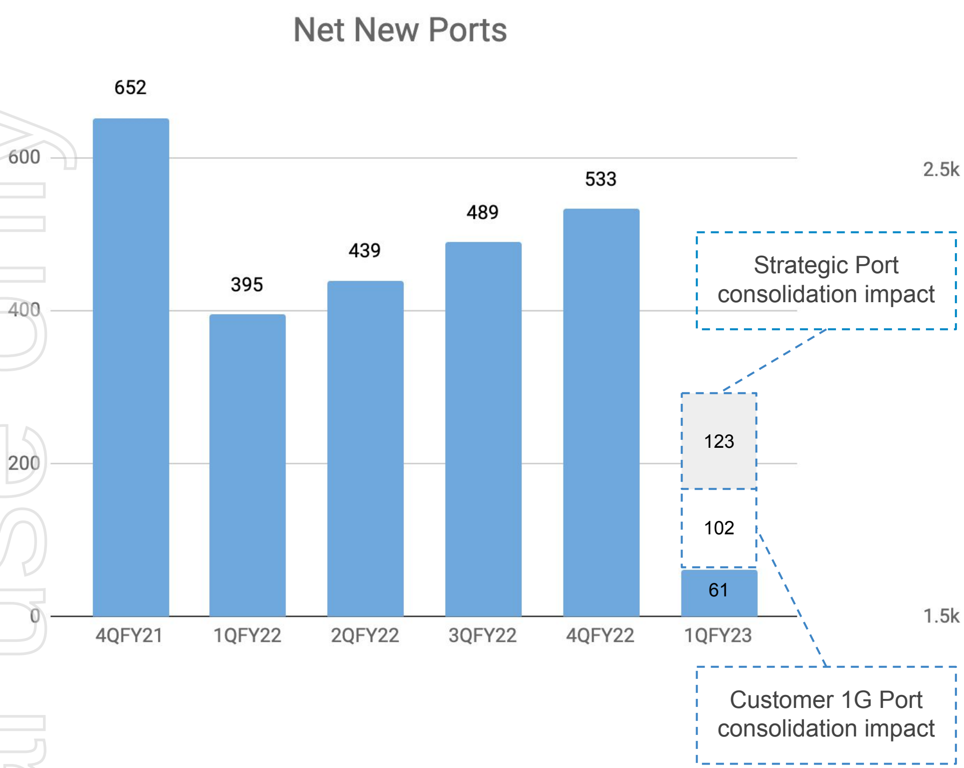
MEGAPORT LIMITED | ACN 607 301 959 | ASX: MP1 | 19 OCTOBER 2022

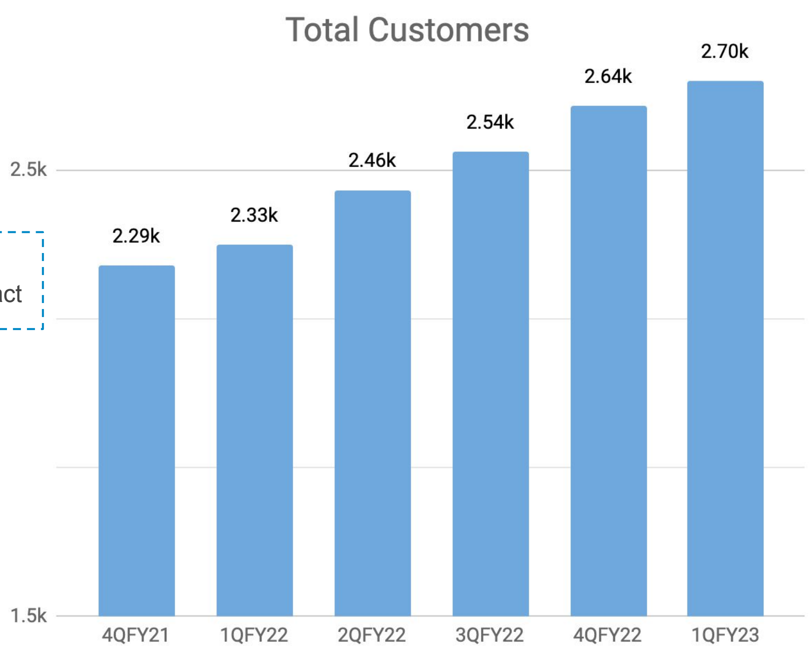
COMPANY HIGHLIGHTS 1QFY23

Q1 HIGHLIGHTS

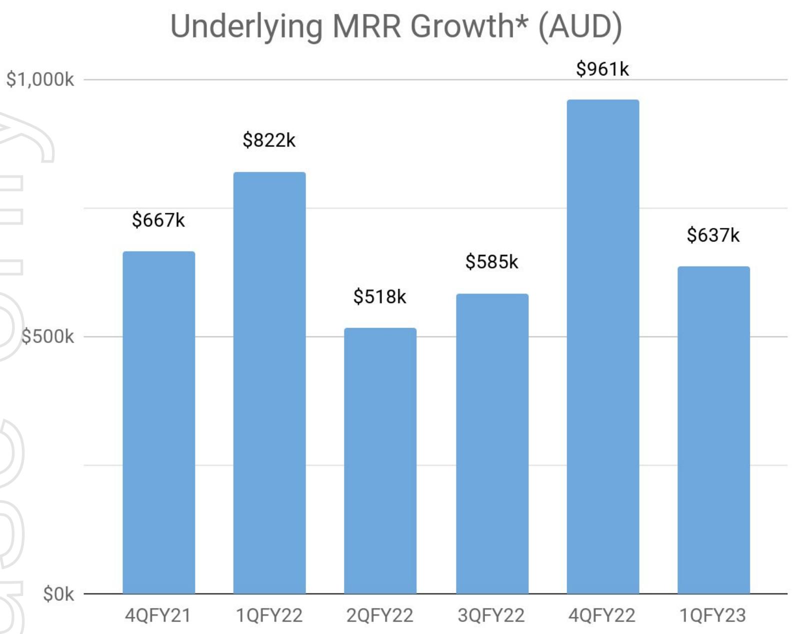
- Continued EBITDA growth
- Channel strengthening
- MegaportONE commercial sales
- Strategic alliance with Zenlayer extending reach

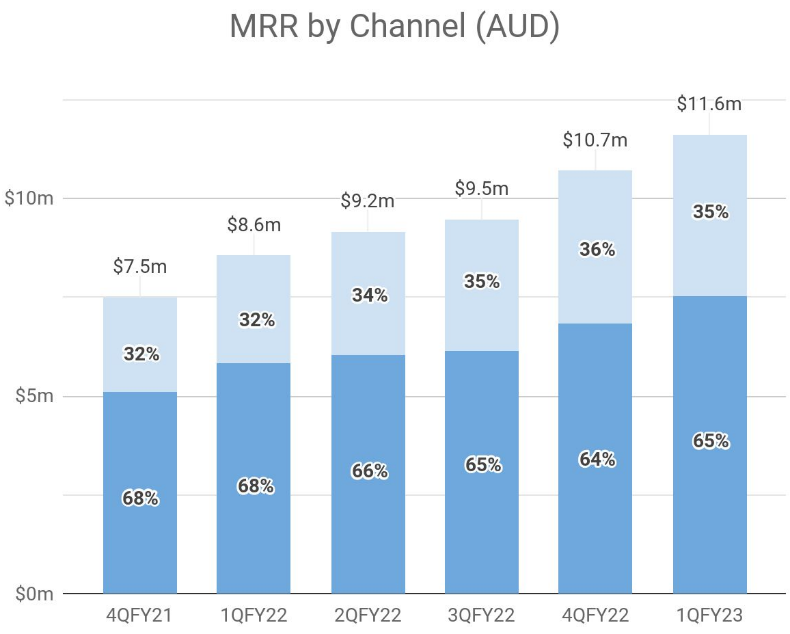
KEY PERFORMANCE INDICATORS





KEY PERFORMANCE INDICATORS





Megaport

*Underlying Growth in MRR is the QoQ growth in MRR excluding the estimated impact of FX movements

MONTHLY RECURRING REVENUE PERFORMANCE 1QFY23 (AUD)

North America

1QFY23

$6.5M

$0.8M | **13%**

4QFY22: $5.7M

Asia Pacific

1QFY23

$3.3M

$-M | **-%**

4QFY22: $3.3M

Europe

1QFY23

$1.8M

$0.1M | **10%**

4QFY22: $1.7M

Global

1QFY23

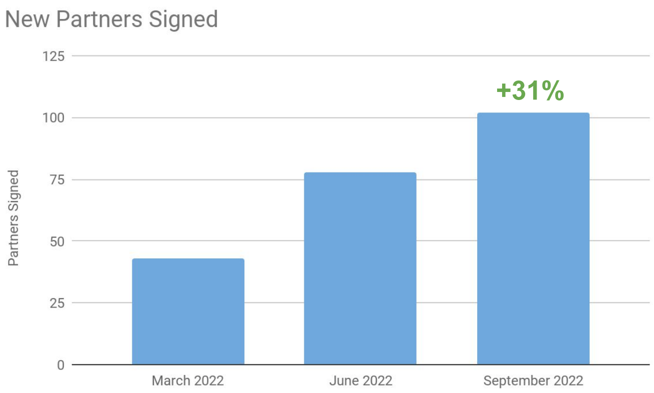
$11.6M

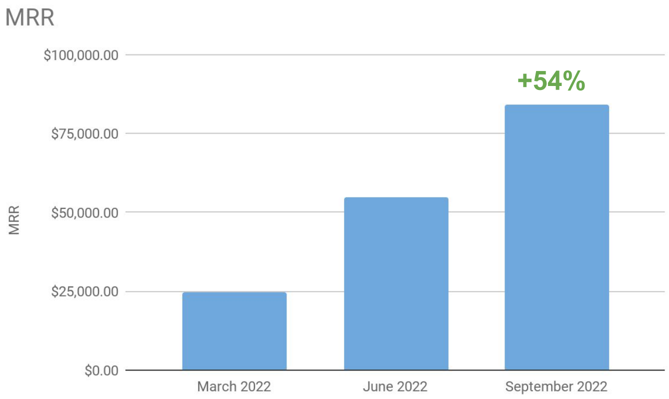
$0.9M | **9%**

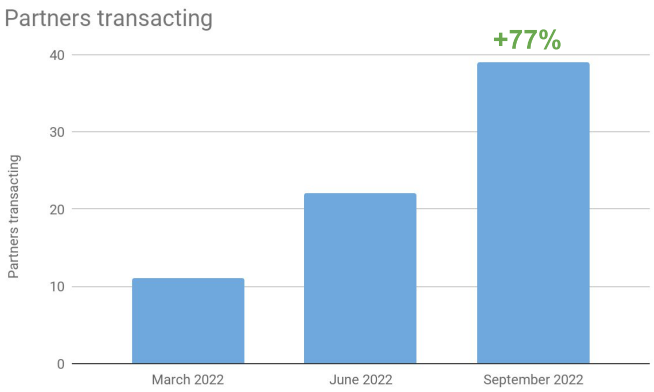
4QFY22: $10.7M

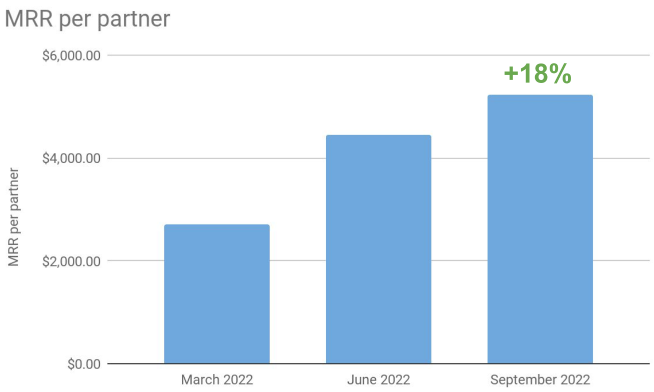
Note: Growth rates are calculated using the actual $ values.

PARTNERVANTAGE CONTINUES TO GROW









LEADING COMPANIES TRUST MEGAPORT

Fortune 100	20 Customers	20%
Fortune 500	80 Customers	16%
Fortune 1000	143 Customers	14%
ASX 100	32 Customers	32%
ASX 200	48 Customers	24%

FINANCIAL PERFORMANCE 1QFY23

UNAUDITED FINANCIAL RESULTS

Consolidated Profit & Loss	Q1FY23 $'M AUD	Q1FY22 $'M AUD	YoY %	Q1FY23 $'M USD
Revenue	33.7	24.6	37%	23.0
Direct network costs	(8.2)	(7.5)	(9%)	(5.6)
Partner commissions	(3.8)	(2.7)	(41%)	(2.6)
Profit after direct network costs and partner commissions	21.7	14.4	51%	14.8
Employee expenses	(14.9)	(13.7)	(9%)	(10.2)
Professional fees	(1.6)	(2.1)	24%	(1.1)
Marketing expenses	(1.2)	(0.1)	(>100%)	(0.8)
Travel expenses	(0.6)	(0.2)	(>100%)	(0.4)
IT costs	(0.9)	(0.9)	-	(0.6)
Other operating expenses	(1.5)	(1.5)	-	(1.0)
Normalised EBITDA[1]	1.0	(4.1)	>100%	0.7
Normalised EBITDA margin	*3%*	*(17%)*	*+20pp*	*3%*

1. Normalised Earnings Before Interest Tax Depreciation and Amortisation (Normalised EBITDA) represents operating results excluding equity-settled employee and related costs, foreign exchange gains and loss on disposal of property, plant and equipment, and certain non-recurring non-operational expenses.

Megaport

FINANCIAL RESULTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

Revenue of A$33.7M (US$23.0M) up A$3.1M (US$1.1M), 10% (5% in US$) from Q4.

Profit after direct costs and partner commissions of A$21.7M (US$14.8M) improved by A$1.8M (US$0.5M).

Profit after direct costs and partner commissions margin of 64% is broadly in line with Q4.

Normalised EBITDA[1] of $1.0M, (US$0.7M) 3% of revenue (Q4FY22: A$1.0M US$0.9M)

CASH FLOW

	Q1FY23 $'M AUD	Q1FY22 $'M AUD	YoY %	Q1FY23 $'M USD
Normalised EBITDA[1]	1.0	(4.1)	>100%	0.7
Working Capital	(0.7)	(1.4)	50%	1.3
Cash flow from Operating Activities	0.3	(5.5)	>100%	2.0
Acquisition of subsidiary	-	(10.4)	100%	-
Interest received	0.2	-	100%	0.1
Capital expenditure, including IP	(16.0)	(14.1)	(13%)	(8.6)
Cash flow used in Investing Activities	(15.8)	(24.5)	36%	(8.5)
Cash flow from issue of equity	-	1.7	(100%)	-
Cash flow from borrowings, (net)	4.1	6.5	(37%)	2.8
Principal lease payments	(2.5)	(1.4)	(79%)	(1.7)
Cash flow from Financing Activities	1.6	6.8	(76%)	1.1
Net Cash Flow	(13.9)	(23.2)	40%	(5.4)
Effect of FX movements	0.8	1.1	(27%)	(6.6)
Opening Cash Balance	82.5	136.3		56.9
Closing Cash Balance[2]	69.4	114.2		44.9

1. Normalised Earnings Before Interest Tax Depreciation and Amortisation (Normalised EBITDA) represents operating results excluding equity-settled employee and related costs, foreign exchange gains and loss on disposal of property, plant and equipment, and certain non-recurring non-operational expenses.
2. Closing cash balance in Q4FY22 AUD was $82.5M.

Megaport

FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2022

Cash from operations of A$0.3M an improvement of A$5.8M over the same period previous year. Cash flow from operations was positive both quarters Q4FY22 and Q1FY23.

Cash used in investing activities of A$15.8M is A$6.3M (66%) more than Q4FY22 with the acceleration in capital spend with the result at purchasing of equipment for FY23 is largely complete.

Net cash used for the quarter was A$13.9M, A$9.3M lower than Q1FY22 largely because of the acquisition in that period.

Cash on hand at 30 September was A$69.4M (US$44.9M)

Megaport

THANK YOU

ASX: MP1

ON THE WEB: megaport.com/investor
megaport.com/media-centre

SOCIAL: /megaportnetworks
@megaport
@megaportnetwork

IMPORTANT INFORMATION

This presentation has been authorised by the Board of Megaport.

Megaport Limited ACN 607 301 959

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell Megaport securities in any jurisdiction. No representation or warranty, expressed or implied, is made as to the accuracy, completeness or thoroughness of the information, whether as to the past or future. Recipients of the document must make their own independent investigations, consideration and evaluation. The information contained in this presentation is subject to change without notification.

This presentation includes certain forward looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward looking statements. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Megaport. These factors may cause actual results to differ materially from those expressed in the statements contained in this presentation. For specific risks and disclaimers, please refer to the Megaport Placement & Share Purchase Plan presentation lodged with the ASX on 7 April 2020.

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

For definitions refer to the Glossary for Investors on the Megaport website at https://www.megaport.com/investor/business-overview/.

A summary of Megaport's 5 year Historical KPIs and metrics can be found on our website at https://www.megaport.com/investor/business-overview/#kpis.

Subscribe for ASX announcements at https://www.megaport.com/investor/#investor-contact.

Megaport Limited

Level 3
825 Ann Street
Fortitude Valley
Queensland 4006

Contact:

Helen Coghill
Investor Relations
Megaport Limited
investor@megaport.com