



# Investor Briefing

ActivePort Group

1<sup>st</sup> August 2024

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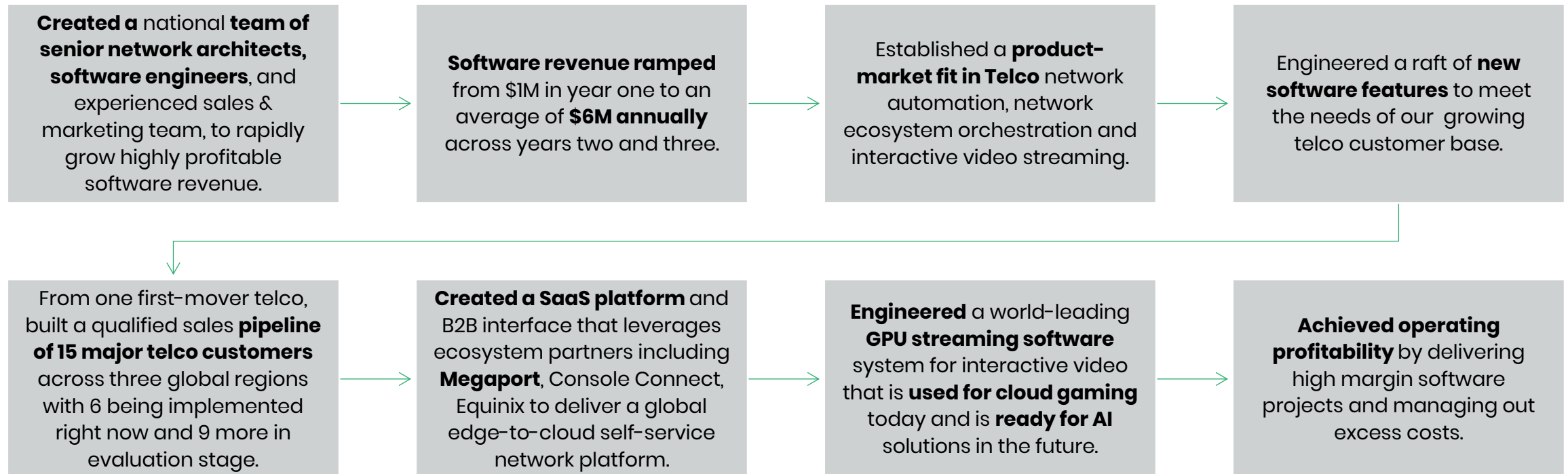
# FY24 Year in Review

- **Net Result** near positive and **is positive** when other income is included (R&D incentives are not included in the figures here).
- Operating overheads were reduced by \$3.8M from FY23 after measures were taken aimed at **optimising technical capacity**.
- The MSP business was right-sized around larger contracts to **drive higher margins** on a lower revenue base.
- Revenue was lower in software as we **focused on recurring revenue transactions** in place of up-front payments.
- The software business unit delivered another strong result of 54% GP on \$5.2M of revenue.
- FY25 objective is to **drive recurring revenue growth in software** business across telco, SaaS and GPU.

FY24 (\$'M)	Group Consolidated	Corporate	Operating Total	Software	SaaS	MSP
Revenue	14.95		14.95	5.16	2.26	7.53
COGS	6.86		6.86	0.78	2.11	3.97
Gross Profit	8.09		8.09	4.38	0.15	3.56
Gross Profit %	54%		54%	85%	7%	47%
OPEX (excl dep'n)	8.13	2.52	5.61	1.59	.07	3.95
Net Result	<b>(0.04)</b>		2.48	2.80	.08	(0.39)
Net Result %	(0.3%)		17%	54%	4%	(5%)

FY23 (\$'M)	Group Consolidated	FY24 to FY23 Variance
Revenue	19.4	(23%)
COGS	9.85	(30%)
Gross Profit	9.55	(15%)
Gross Profit %	49%	
OPEX (excl dep'n)	11.9	(32%)
Net Result	(2.35)	98%
Net Result %	(12%)	

# Achievements Since IPO – 3 Years



# Product Roadmap

We are here



## Phase 1

Telco and Enterprise network orchestration.

### Timeline

From startup to IPO in 2021

### Success Run-rate (Actual)

Zero to \$6M PA license revenue in FY24 & up to 92% GP.

### Customer Success

- 3 live telco/enterprise accounts
- 4 live ISP accounts
- Multiple global telco accounts developing in the sales pipeline

## Phase 2

GPU orchestration for Cloud Gaming.

### Timeline

From V1.0 launch in 2021

### Success Run-rate (Actual)

Zero to \$1M PA recurring revenue in FY24 & up to 85% GP.

### Customer Success

- 70+ contracted telco customers by our channel partners
- 14 live telco customers
- Deploying to a TAM of 3+ billion mobile, TV and set top box subscribers

## Phase 3

Global Edge Software as a Service (SaaS).

### Timeline

From V1.0 launch in FY23

### Success Run-rate

10+ SaaS customer deployments in Australia, Africa and Southeast Asia.

### Customer Success

- Delivering on version 2.0 NEO B2B portal in Q1 FY25
- Achieving ARPU of \$60K PA and GP of in-house services of up to 75%

## Phase 4

Compute orchestration for AI Inference.

### Timeline

Live trials in H2 FY25

### Success Objective (Goal)

Adoption of RAG orchestration for AI Inference applications in the telco ecosystem.

### Customer Success (Goal)

- Field trials at one global telco
- Conditional commercial agreements in negotiation

# Activeport's Product Market Fit

The enterprise revenue for telco's is under threat from the hyperscale cloud providers and Network-as-a-Service providers.

To protect that highly profitable on-net revenue stream, telcos need to pivot to the cloud by offering their services online.

Activeport's network orchestration software platform offers telco's the fastest path to cloud-enabled automation.

Activeport's software is one of very few vendor-agnostic, customer facing, enterprise-grade solutions available off-the-shelf and ready for a telco to immediately deploy.

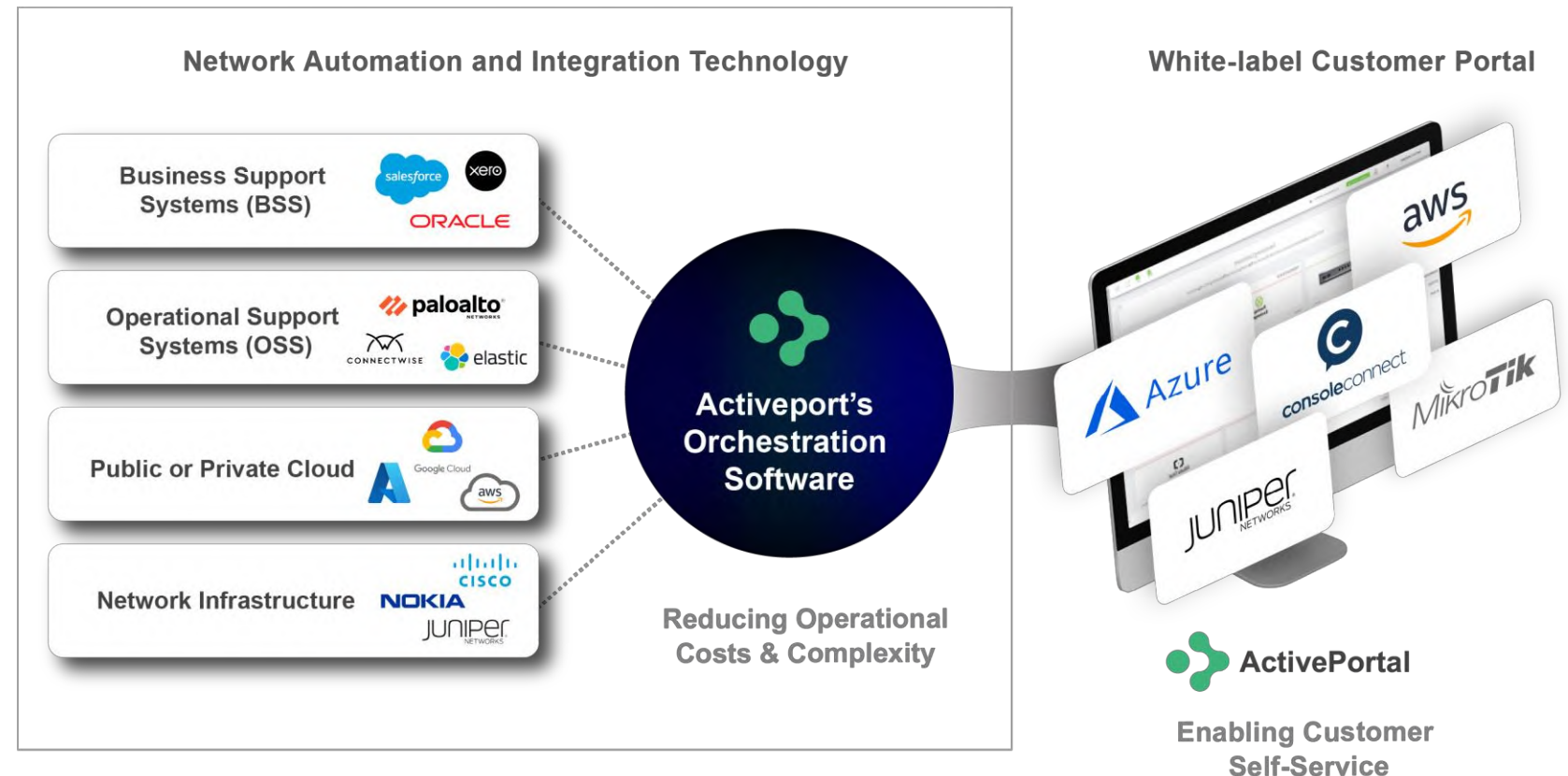
# Activeport's Innovative Software Technology

Telco's need to automate enterprise network service delivery, increase global reach, service a mobile workforce and embrace hybrid cloud.

**Activeport delivers this for telcos, helping them retain customers on-net for higher margins and greater wallet-share.**

For Telco that means:

- Instant **self-service portals** for customers to buy and manage network services.
- Self-service portals give Telco customers **enhanced service visibility** and control.
- The Activeport orchestration engine enables telcos to create **new cloud-centric products**.
- New self-service products keep customers **"on-net" for higher margin revenue** with less churn-out.
- Activeport delivers **greater customer satisfaction** and more wallet share.



# Activeport Enterprise Software at Work

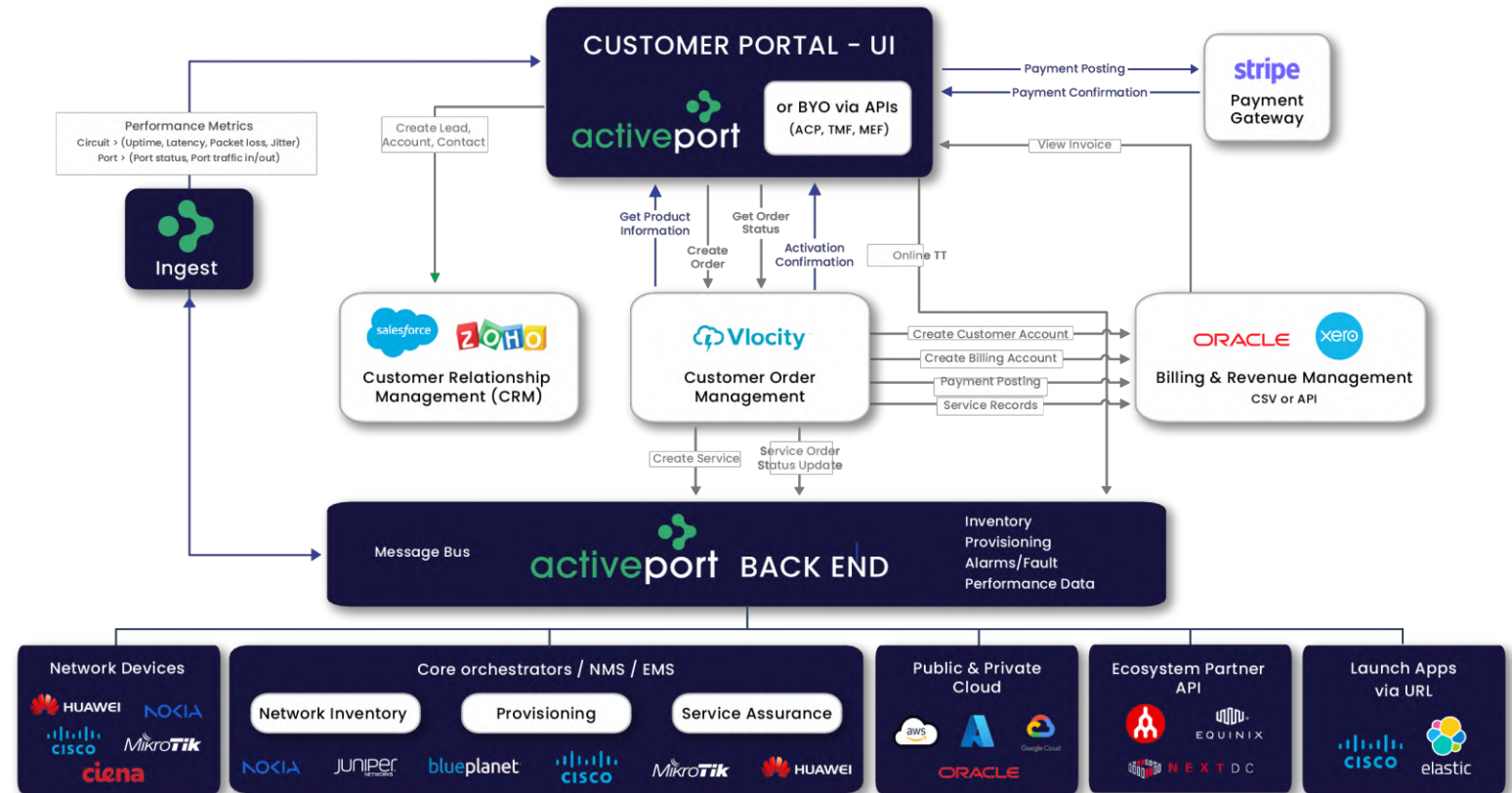
Activeport's orchestration software is an enterprise application that **is deeply embedded** in a Telco's information technology ecosystem.

The primary use of the software is to **enable customer self-service** of a telco's core cloud-centric network services through internet portals.

The software achieves this **by integrating the network hardware via API's** with the CRM, Order Fulfilment, Billing and Payment applications that run a telco's back office.

Customers pay for installation services then monthly for the **software license that scales** on a per-network point or bandwidth basis.

This diagram represents a live solution. Activeport is vendor agnostic. All applications, devices and services are interchangeable amongst API-enabled vendors.



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Point to Point integrations:  
 via ActivePort modules  
 through Customers enterprise service bus



# Activeport Orchestration End-user Feature-sets

Activeport's R&D team continues to develop a set of core modules telco's use to power their self-service portals.

Each feature is another new revenue earning opportunity for our telco customers and a license-earning opportunity for Activeport.

## Virtual On-Net Connect

Dynamic on-demand routing across a telco network.

Customers can create the network routes they need, in the capacity they want, immediately at any time.

## Cloud Router

Access and cross-connect amongst public and private clouds.

Fast setup and easy replication of resources amongst clouds makes your network the regional cloud on-ramp of choice.

## Peering Exchange

Simplify peering internet services.

Accelerate regional application performance and reduce operating costs for providers with traffic insights and route optimisation amongst peering exchanges.

## Network-to Network Interconnect

Cross-connect your telco peers.

Bring local and international telco partners onto your self-service VCX network to boost on-net traffic.

## Network Augmentation

Integrate global NaaS operators.

Extend your global network reach by integrating network as a service (NaaS) providers with dynamic PoP creation to hundreds of new locations.

## Fibre Connectivity

Service delivery for fibre owners.

Cross connect layer-1 fibres and overlay L2 & L3 products to bring more traffic onto your core network.

## Pseudo Wire

Simplified multi-service access across dark-fibre.

Deliver voice, internet and data products over a single fibre connection with self-service routing from edge to cloud.

## SASE

Managed firewalls secure your services at the core to the edge.

Self-service firewalls with integrated DPI, security information and event management (SIEM) built-in for a complete SASE solution.

## Edge Integration

All your edge products in one integrated package.

Deliver your own brand of SD-WAN over internet or ethernet with integrated NFV for firewalls, optimisers and other network enhancing applications.

## GPU Services

Deliver cloud gaming, AI and metaverse applications across your network.

Applications that offer real-time interaction with video content can be streamed to audiences using Activeport's innovative software.

# Three Paths to Market for Activeport Software

Telco, SaaS, Cloud Gaming & AI represent a *\$95 Billion* market opportunity for Activeport's software. Activeport is positioned to become a top-5 vendor in each segment.

## Telco

Activeport licenses its software to tier-1 telcos that install it in-house to deliver self-service network orchestration to their enterprise customers.

Industry Size

\$2.9 Trillion

Target addressable market

\$65 Billion

## SaaS

Activeport delivers its Software-as-a-Cloud service to the mid-market via ISP's and MSP's.

Industry Size

\$976 Billion

Target addressable market

\$21 Billion

## GPU

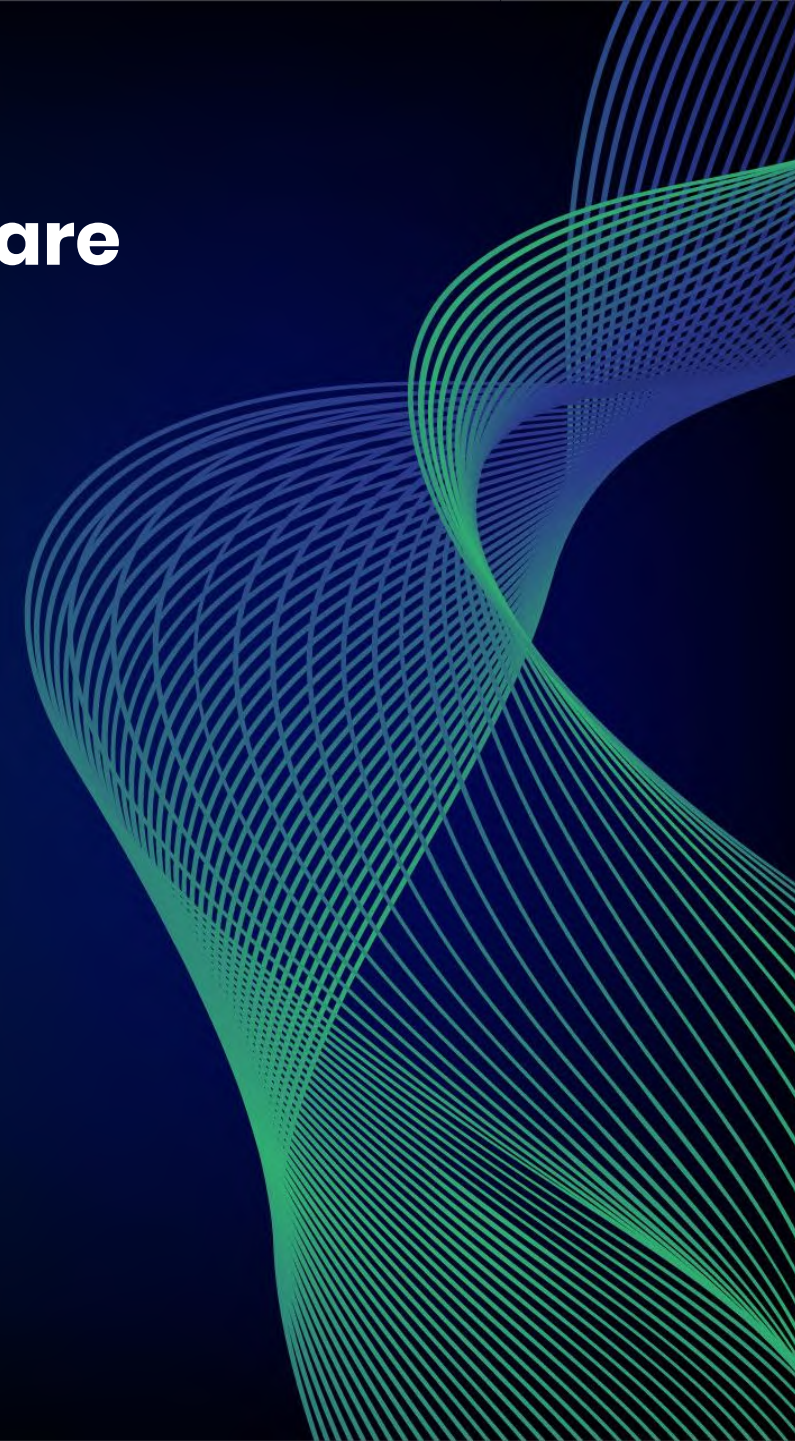
Activeport developed a version of its software for GPU orchestration used primarily for cloud gaming platforms and AI applications.

Industry Size

\$293 Billion

Target addressable market

\$9 Billion



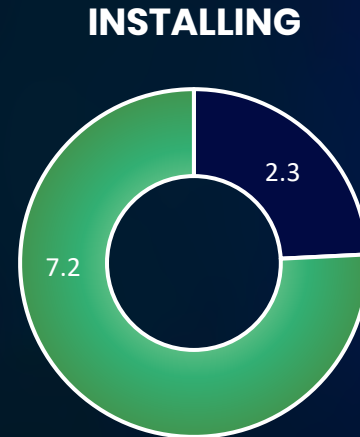
# Telco Channel

Activeport licenses its software to telecommunications carriers so they can automate service access for their enterprise customers. Telco's install Activeport software on-premise and pay a license fee that scales with the number of orchestrated locations and devices.

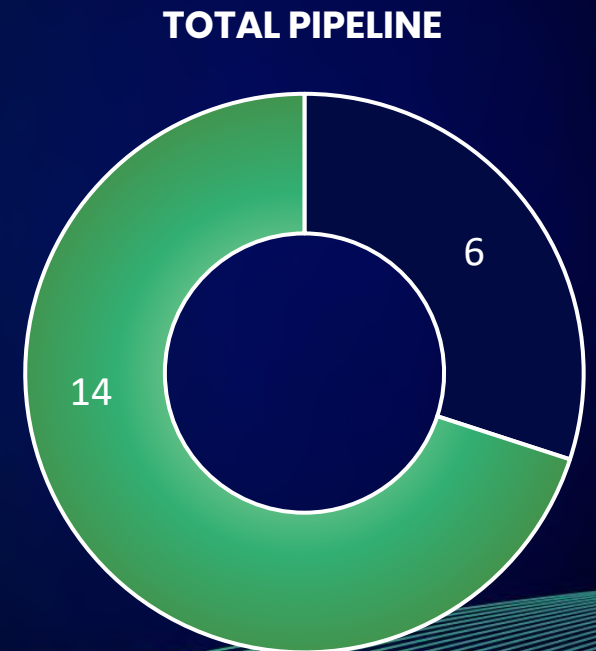
Current sales pipeline indicates a continued ramp-up in recurring revenue growth as **4 new projects** come on-stream in 1H25 and possibly **6 more in 2H25** from a total currently qualified sales **pipeline of \$20M for FY25 & FY26**.



\$5.3M  
3 Existing Customers



\$9.6M  
6 New Customers



\$20M  
15 Existing/New/Prospective Customers

- One Time Revenue
- Recurring Revenue

## SaaS Channel

Expanding our **Global Edge** wholesale SaaS platform to include **NEO B2B Services**.

NEO enables our enterprise customers to provision and manage a global network, all the way to the edge (their branches) from one portal, enabling simple cloud access and cross service routing by integrating all major network as a service (NaaS) providers and data centres.

- Integrated, secured software-defined network service
- 75% GP at RRP for on-net services
- Self-service global networks built on Megaport Virtual Edge
- Target \$50K to \$1M+ ARPU

NEO is accessible in Australia and New Zealand today with expansion to Southeast Asia planned next. NEO is a recurring revenue SaaS business with immediate order-to-cash and high gross margins.

Constant feature updates and integrations will deliver new revenue for the business and regular news-flow for investors.

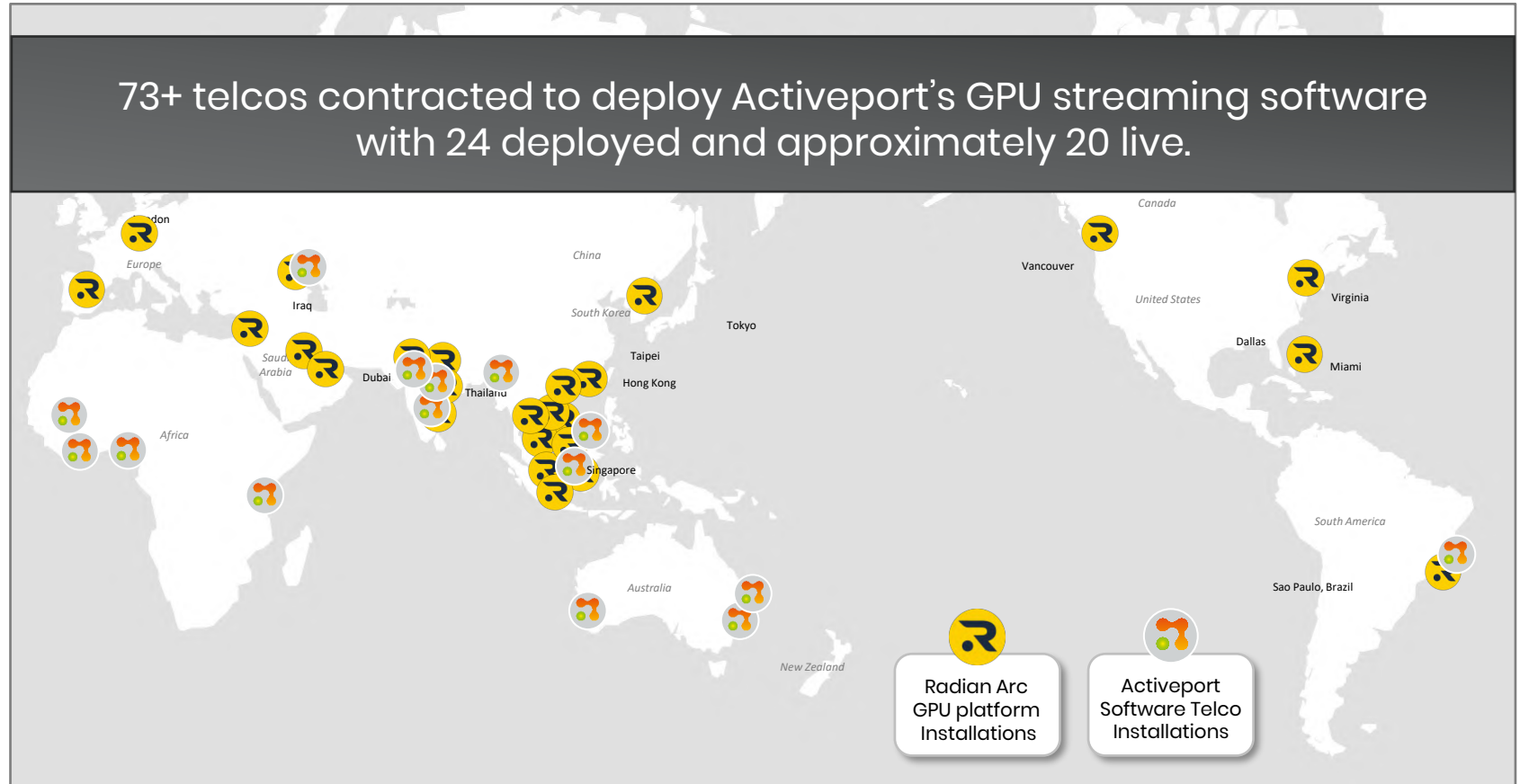
Visit [www.globaledge.network](http://www.globaledge.network)



# GPU Channel

Activeport's GPU orchestration software delivers interactive video applications across telco networks.

Cloud gaming, artificial intelligence, immersive 3D and other interactive application classes that have real-time interaction with video content can be streamed to mass audiences using Activeport's innovative software.



Activeport's exclusively licenses its software for cloud gaming to Radian Arc for delivery to the Telco market. This is minimum \$1M PA contract that scales with the number of GPU servers deployed.

Activeport orchestration software customers are **telco, ISP and enterprise** across Australia, Asia, India Africa and the Middle East.

**Radian Arc's** customers using Activeport's GPU streaming software are distributed globally and growing rapidly.

# Entering **Phase 3** of the Growth Strategy

## Leverage regional partners (India, Asia, Africa) to accelerate deployments.

With traction in key markets, local partners are being trained to provide implementation resources and customer support while ActivePort drives net-new customer acquisitions. Deployment of experienced ActivePort product architects and implementation engineers to these regions will enable a resource base to build in lower cost countries that improves our return on capital invested.

## Establish Europe and North America regional representation.

Activeport will expand into Europe and North America, tackling small projects in the larger telco customers to establish referenceable deployments and build a foundation for growth.

## Deploy the Version 3 gaming software to high volume regions (India, Asia).

Activeport's Version 3 gaming platform is designed to deliver cloud gaming in large scale, low ARPU deployments. Version 3 enables direct publishing to the Cloud for new game developers to monetise their titles direct to a growing audience.

## Deliver Version 7 orchestration for high performance enterprise users.

Version 7 orchestration adds high-performance edge capability to the core product suite as well as a raft of new features across core and cloud orchestration to encompass a broader revenue-earning footprint in each new telco customer.

## Roll-out B2B SaaS platform globally by region, leveraging our NaaS partners.

Activeport's Global Edge Software-as-a-Service (SaaS) leverages our partners' networks to deliver a low Capex/Opex Network-as-a-Service. Phase 3 will see this product deployed into new regions starting in Southeast Asia, Africa and the Middle East.

# Transition to 100 % Software Company

## Becoming a Software Business

Activeport's opportunity to become a pure-play software business is here. Our software delivers gross margins above 90% and operating profits above 50% with recurring revenue growing at 75% annually.

## Activeport's Market Momentum

Activeport software is now proven to be enterprise-ready with strong references and emerging new projects in key markets with major telecommunications operators. The deep pipeline of prospective customers offers an opportunity to accelerate revenue growth and build a strong recurring revenue base.

## Technology Lead and Competitive Moat

Activeport has limited competition in its core market of enabling telcos to automate delivery of their network services in the Cloud and a significant lead of up to 2 years on any new competitor entering the market today.

## Long-Term Recurring Revenue

Activeport's deeply-integrated enterprise software delivers long term highly "sticky" recurring revenue that scales with the size of each customer and the features they deploy.



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