



Cyxtera

Q2 2022 Earnings Supplemental Data

August 11, 2022

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Statement Regarding Non-GAAP Financial Measures

This presentation contains Transaction Adjusted EBITDA, which is a supplemental measure that is not required by, or presented in accordance with, accounting principles generally accepted in the United States (“GAAP”). Transaction Adjusted EBITDA represents the measure of EBITDA disclosed to Starboard Value Acquisition Corp (“SVAC”) in connection with its consideration of the business combination transaction between SVAC and Cyxtera. Cyxtera defines Transaction Adjusted EBITDA as net income (loss) before the following items: depreciation and amortization, interest and other expenses, net, income tax expense (benefit), equity-based compensation, straight-line rent adjustment, amortization of favorable / unfavorable leasehold interest & asset retirement obligation accretion, stand-up separation & other, restructuring costs & other, and change in fair value of warrant liabilities. As a Non-GAAP financial measure, Transaction Adjusted EBITDA excludes items that are significant in understanding and assessing Cyxtera’s financial results or position. Therefore, this measure should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that Cyxtera’s presentation of this measure may not be comparable to similarly-titled measures used by other companies. Refer to the Appendix to this presentation, which includes a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable GAAP financial measures.

This presentation also includes certain projections of non-GAAP financial measures concerning Cyxtera. Due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from these projected measures, together with some of the excluded information not being ascertainable or accessible, Cyxtera is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included and no reconciliation of the forward-looking non-GAAP financial measures is included.

Presenters



Nelson Fonseca – *Chief Executive Officer*



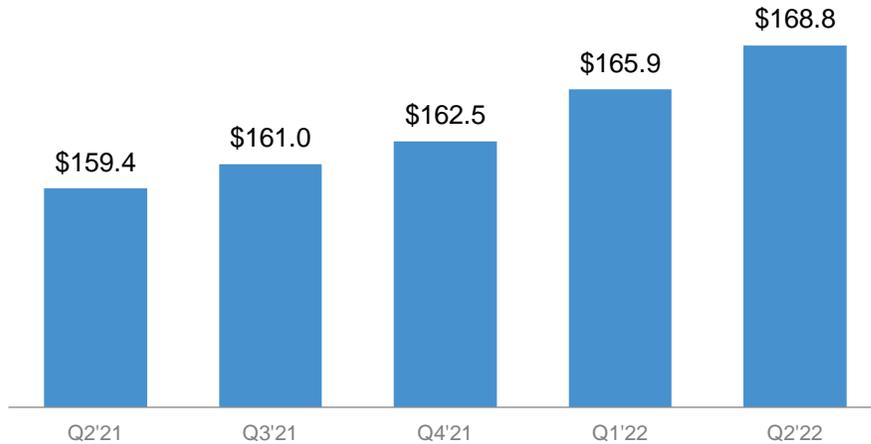
Carlos Sagasta – *Chief Financial Officer*

Q2 2022 Financial and Business Highlights

- Total revenue increased by \$8.7 million, or 4.9% year over year, to \$184.1 million in the second quarter
- Core revenue increased by \$9.4 million, or 5.9% year over year, to \$168.8 million in the second quarter
- Transaction Adjusted EBITDA decreased by \$2.3 million, or (3.8%) year over year, to \$60.0 million in the second quarter
- Q2 stabilized occupancy increased 580 bps year over year to 74.2%
- Net bookings was the strongest on record for Cyxtera, adding visibility to future periods
- Core Churn in Q2 was 0.7%, a 30bps improvement from Q1 and 20bps better YoY
- Strong demand continues despite broader macroeconomic concerns with Q2 Bookings demonstrating Cyxtera's differentiated value proposition
- Pricing dynamics remain stable to up across most markets
- The macro environment will remain challenging across energy prices, FX movements, Regulatory and Supply Chain for the remainder of 2022
- Adjusted EBITDA guidance reflects 2H 2022 uncertainty regarding these cyclical (FX) and timing concerns (Energy Cost Recovery, Supply Chain)

Core Revenue & Churn

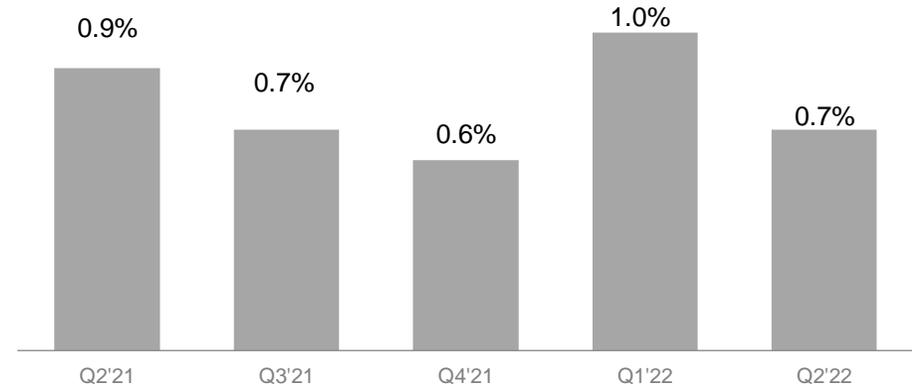
Core Revenue (\$ in Millions)



Q2'22 Core Revenue of \$168.8M (vs. \$159.4M prior year)

5.9% YoY growth in Core Revenue

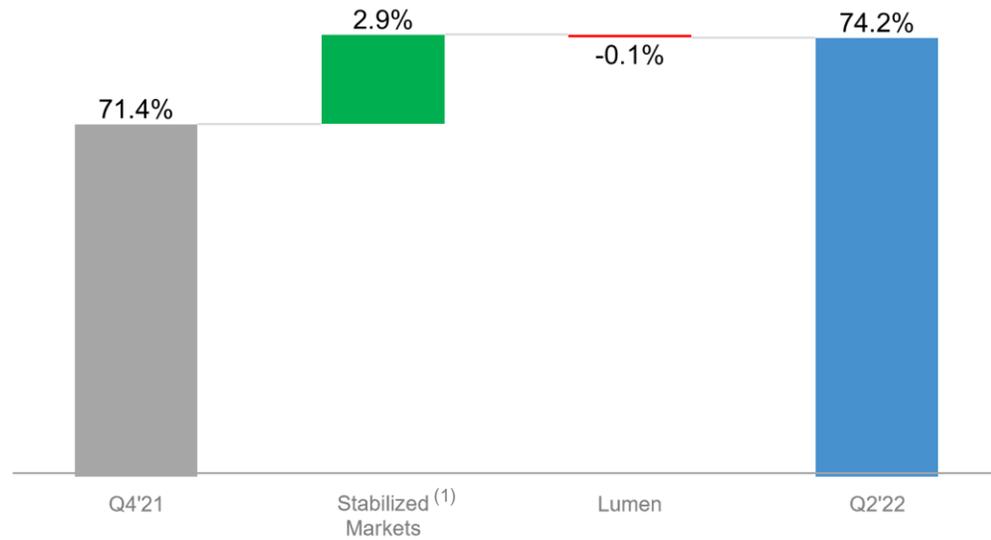
Core Churn (Core Churn % of Average Core MRR)



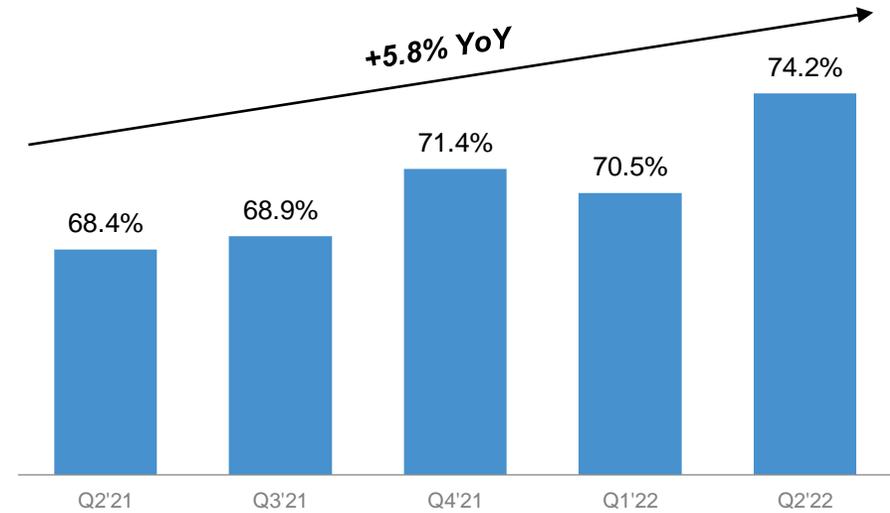
Average monthly Core Churn of 0.7% for Q2'22

Q2 2022 Occupancy

2022 YTD Stabilized Market Occupancy Bridge



Stabilized Market Occupancy Trend



2022 Priorities

Organic Growth

- Maintain occupancy growth in line with 2020/21 performance
- Increase core revenue growth and continue churn stabilization and reduction
- Accelerate channel partnership sales and new logo momentum

Innovation

- Continued interconnection growth
- Accelerate adoption of Digital Exchange and Bare Metal platforms
- Deliver enhanced flexibility to customers by increasing automation and ease of Data Center consumption

Strategic Growth

- Focus on accretive geographic expansion opportunities with disciplined approach to capital allocation and returns
- Explore avenues for greater property control and ownership
- Expand liquidity and capital funding diversification

ESG Focus

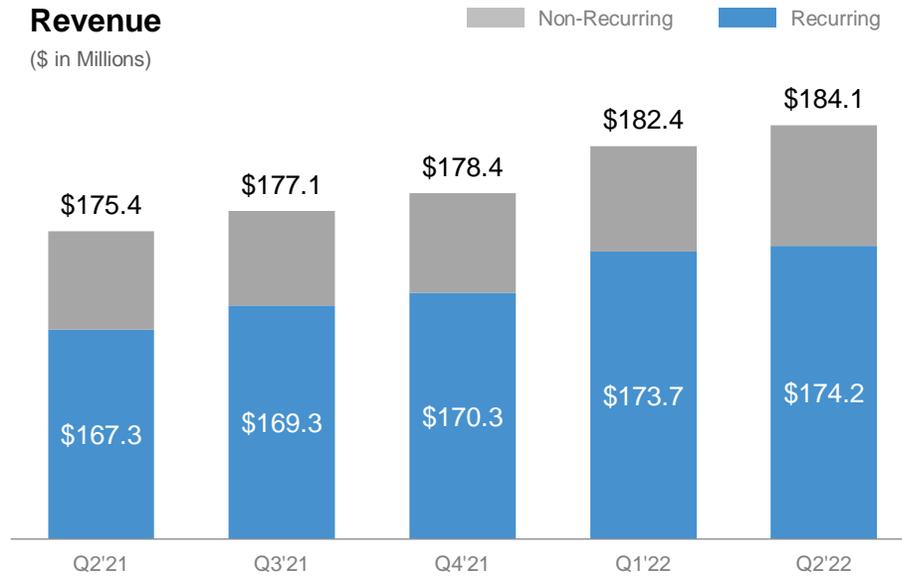
- Maintain focus on being responsible stewards of the environment with increased disclosures and strong governance
- Committed to achieving 100% non-carbon emitting energy consumption by 2030
- Continued focus on Employee development and increasing diversity and inclusion in leadership positions

Financial Overview

Q2 2022 Financial Highlights

Revenue

(\$ in Millions)

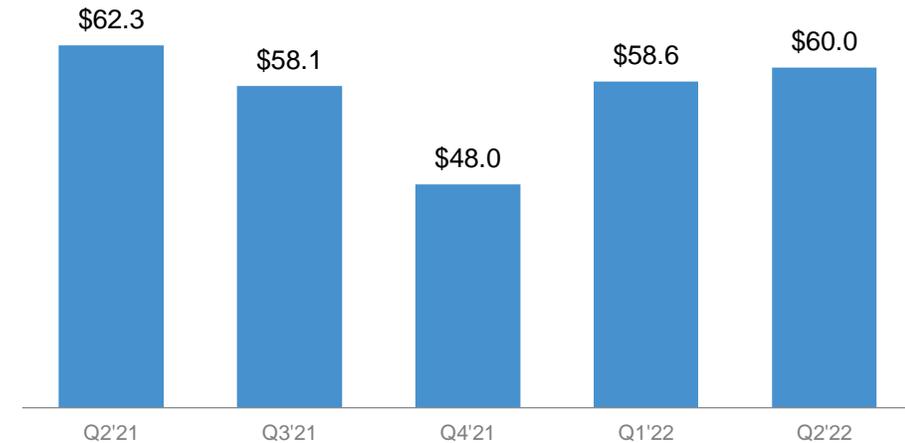


Consecutive quarters of total revenue growth

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Transaction Adjusted EBITDA

(\$ in Millions)

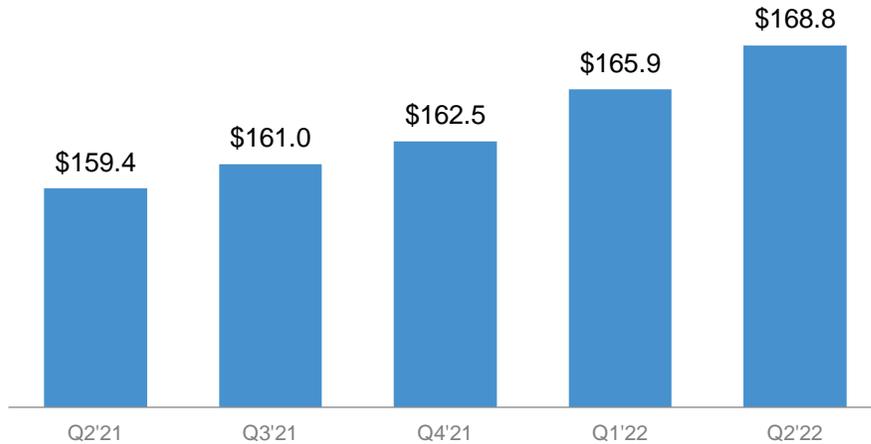


YOY change in Transaction Adjusted EBITDA

(3.8%)

Core Revenue & Churn

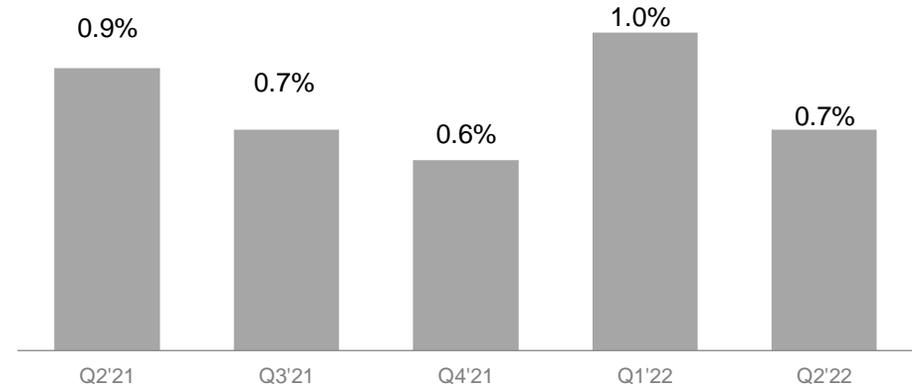
Core Revenue (\$ in Millions)



Q2'22 Core Revenue of \$168.8M (vs. \$159.4M prior year)

5.9% YoY growth in Core Revenue

Core Churn (Core Churn % of Average Core MRR)



Average monthly Core Churn of 0.7% for Q2'22

Q2 2022 Results

Core revenue increased by \$9.4 million, or 5.9%, YoY to \$168.8 million

Transaction Adjusted EBITDA decreased by \$2.3 million or 3.8% year-over-year, to \$60.0 million, principally due to SG&A costs. 2022 includes public company costs not in existence in 2021.

(\$ in Millions)	Q2'22	Q2'21	YoY Change
Recurring Revenue	\$174.2	\$167.3	4.1%
Non-Recurring Revenue	9.9	8.1	21.9%
Total Revenue	\$184.1	\$175.4	4.9%
Cost of Revenue	\$98.4	\$95.5	3.0%
<i>As a % of Revenue</i>	53.5%	54.4%	(99 bps)
Gross Profit	\$85.7	\$79.9	7.2%
<i>% Margin</i>	46.5%	45.6%	99 bps
Total SG&A	\$34.7	\$22.9	51.4%
<i>As a % of Revenue</i>	18.8%	13.1%	578 bps
Other ⁽¹⁾	\$1.3	\$58.9	NA
EBITDA	\$49.7	(\$1.9)	NA
<i>% Margin</i>	27.0%	(1.1%)	
Transaction Adjustments	\$10.3	\$64.3	-
Transaction Adjusted EBITDA ⁽²⁾	\$60.0	\$62.3	(3.8%)
<i>% Margin</i>	32.6%	35.5%	(295 bps)
Rent (<i>net of adjustments</i>)	\$14.8	\$15.3	-
Transaction Adjusted EBITDAR ⁽³⁾	\$74.8	\$77.6	(3.7%)
<i>% Margin</i>	40.6%	44.3%	(363 bps)
Capital Expenditures	\$30.4	\$13.7	121.2%
<i>As a % of Revenue</i>	16.5%	7.8%	868 bps

(1) Q2 22 includes \$1.3M in restructuring, impairment, site closures and related cost. Q2 21 includes \$58.9M in restructuring, impairment, site closures and related cost

(2) Earnings Before Interest, Taxes, Depreciation, Amortization;

(3) Earnings Before Interest, Taxes, Depreciation, Amortization & Rent;

Q2 YTD 2022 Results

Core revenue increased by \$19.1 million, or 6.1%, YoY to \$168.8 million

Transaction Adjusted EBITDA of \$118.5 million was flat year-over-year, principally due to higher revenue partially offset by higher SG&A costs

(\$ in Millions)	Q2 YTD 2022	Q2 YTD 2021	YoY Change
Recurring Revenue	\$347.8	\$332.0	4.8%
Non-Recurring Revenue	18.7	16.3	14.3%
Total Revenue	\$366.5	\$348.3	5.2%
Cost of Revenue	\$196.4	\$193.9	1.3%
<i>As a % of Revenue</i>	53.6%	55.7%	(207 bps)
Gross Profit	\$170.1	\$154.4	10.1%
<i>% Margin</i>	46.4%	44.3%	207 bps
Total SG&A	\$66.0	\$50.5	30.7%
<i>As a % of Revenue</i>	18.0%	14.5%	351 bps
Other ⁽¹⁾	(\$9.2)	\$67.0	NA
EBITDA	\$113.3	\$36.9	206.8%
<i>% Margin</i>	30.9%	10.6%	2,031 bps
Transaction Adjustments	\$5.2	\$81.4	-
Transaction Adjusted EBITDA ⁽²⁾	\$118.5	\$118.4	0.1%
<i>% Margin</i>	32.3%	34.0%	(164 bps)
Rent (<i>net of adjustments</i>)	\$30.6	\$30.3	-
Transaction Adjusted EBITDAR ⁽³⁾	\$149.1	\$148.7	0.3%
<i>% Margin</i>	40.7%	42.7%	(201 bps)
Capital Expenditures	\$64.4	\$27.0	138.4%
<i>As a % of Revenue</i>	17.6%	7.8%	981 bps

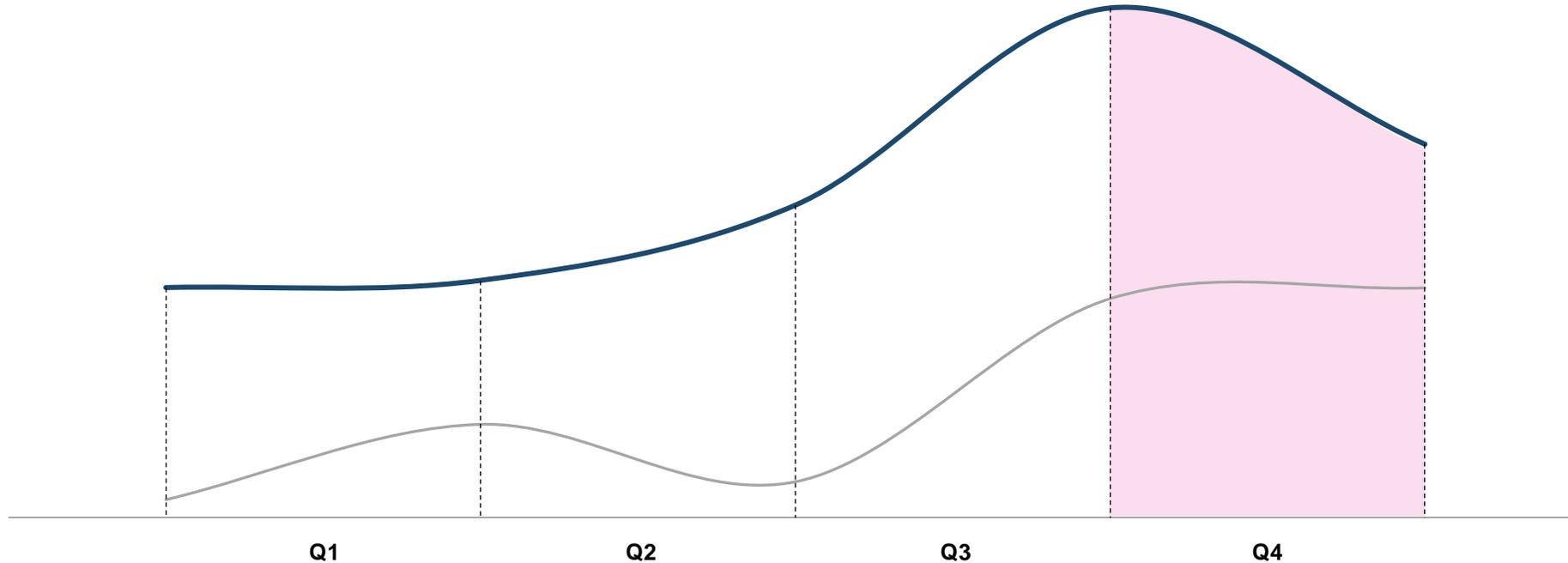
(1) Q2 22 YTD includes (\$11.8M) benefit related to change in fair value of derivative liabilities, offset by \$2.6M in restructuring, impairment, site closures and related cost. Q2 21 YTD includes \$67.0M in restructuring, impairment, site closures and related cost

(2) Earnings Before Interest, Taxes, Depreciation, Amortization;

(3) Earnings Before Interest, Taxes, Depreciation, Amortization & Rent;

Power Cost by Quarter

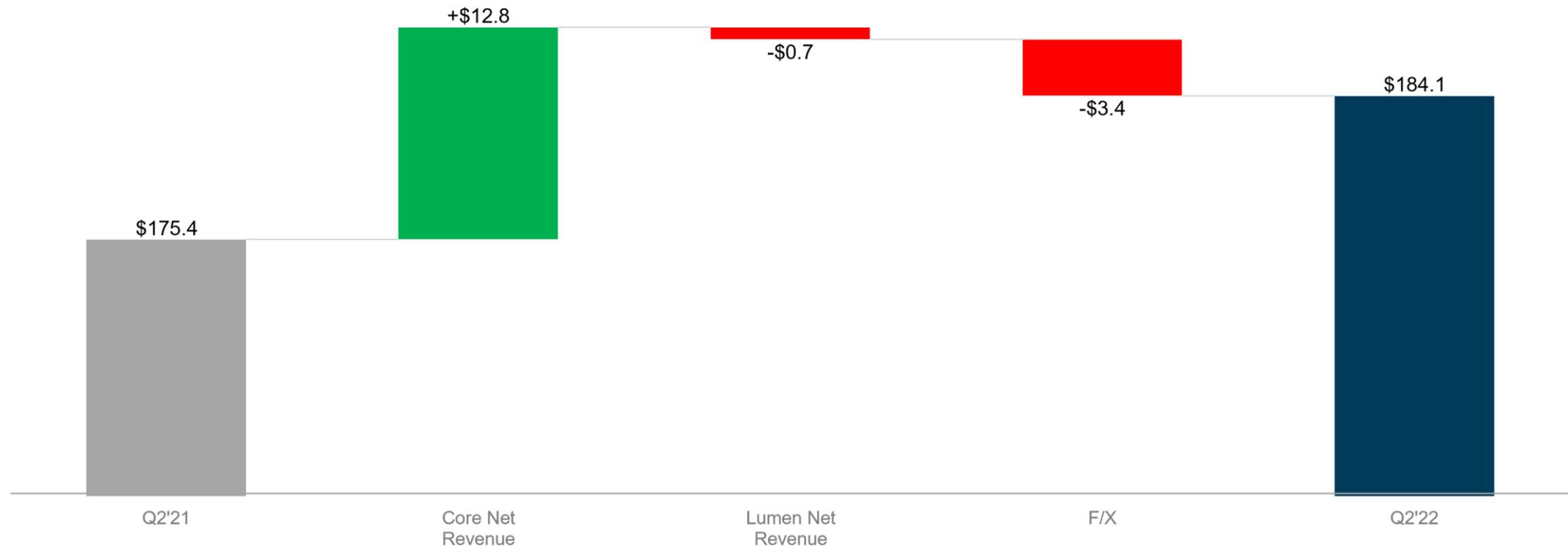
■ 2022E
 ■ 2021A
 ■ Unrecoverable In-Period Costs



	Q1	Q2	Q3	Q4
2022E In-Year Distribution	23%	24%	28%	25%
2022E vs. 2021A Increase	12%	24%	22%	11%

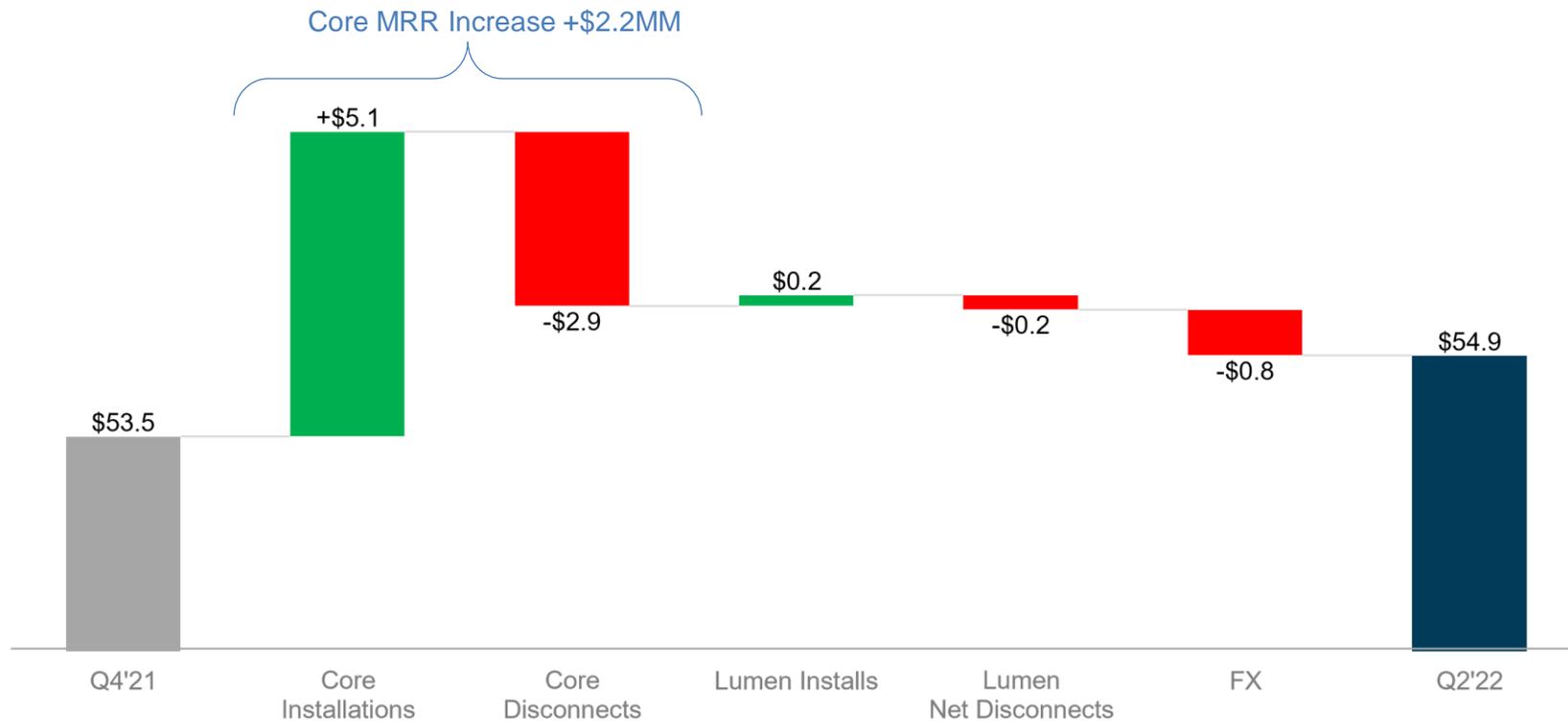
Revenue Bridge: Q2 2021 to Q2 2022

(\$ in Millions)



Exit MRR Bridge: YE 2021 to YTD 2022

(\$ in Millions)



Core MRR excl. FX increased by \$2.2M or 4.4% to \$50.8MM primarily due to net installations

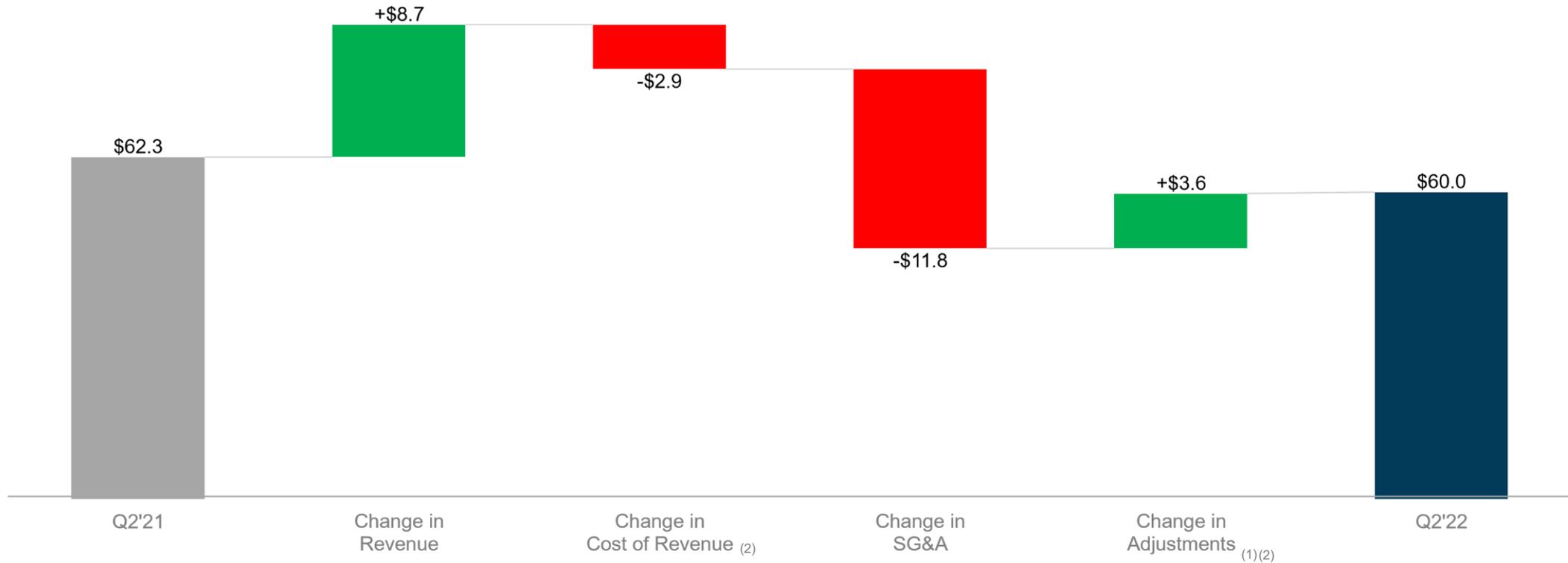
Cost of Revenue Bridge: Q2 2021 to Q2 2022

(\$ in Millions)



Transaction Adjusted EBITDA Bridge: Q2 2021 to Q2 2022

(\$ in Millions)

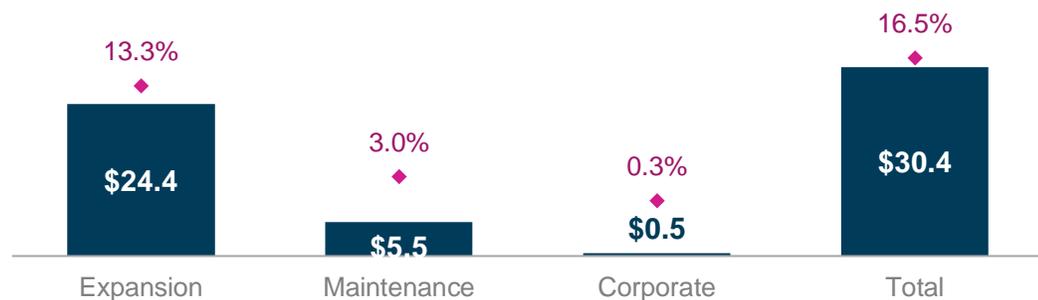


Capital Expenditures

Q2 2022 CapEx ⁽¹⁾

(\$ in Millions)

■ \$-Amount ◆ % of Revenue



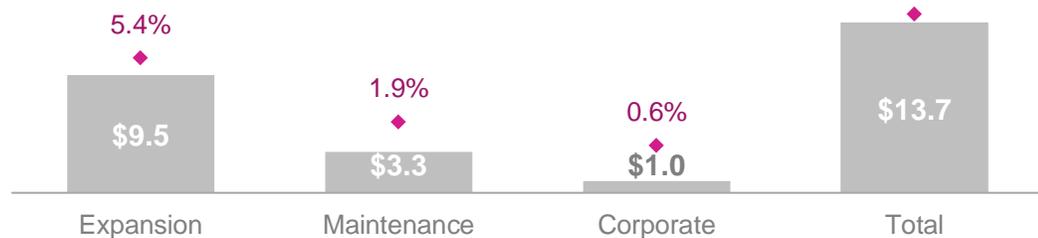
YTD 2022 CapEx ⁽¹⁾

(\$ in Millions)

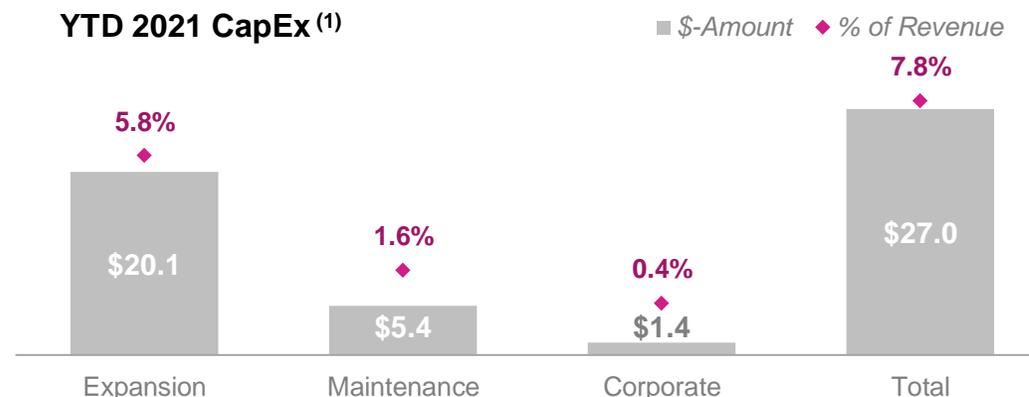
■ \$-Amount ◆ % of Revenue



Q2 2021 CapEx ⁽¹⁾

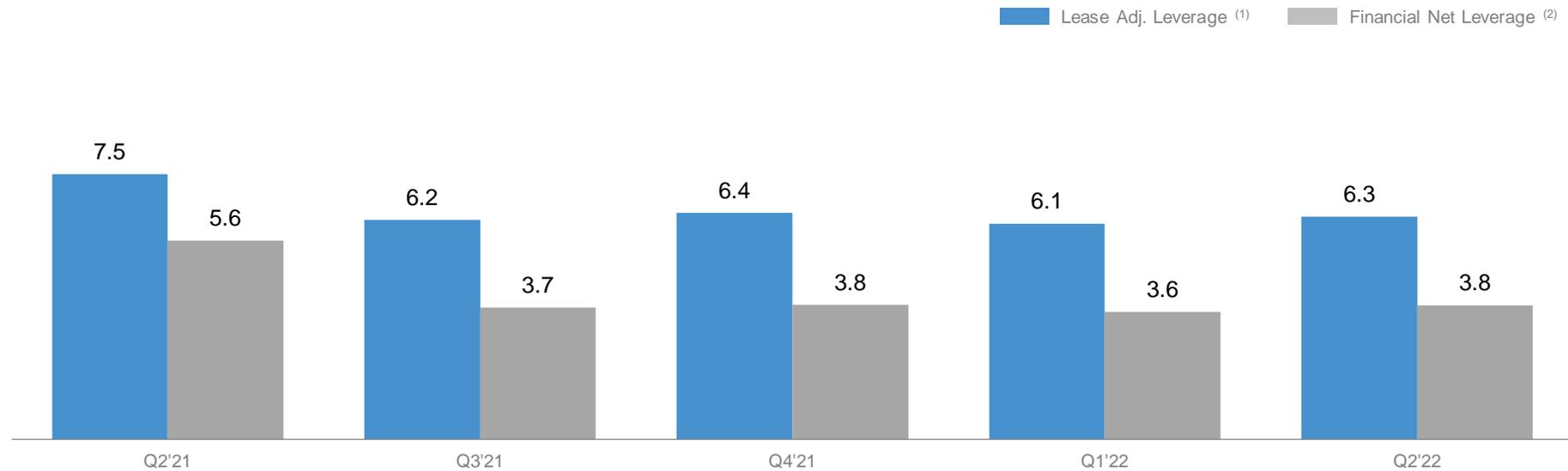


YTD 2021 CapEx ⁽¹⁾



(1) Cash CapEx was \$29.9MM and \$14.4MM in Q2'22 and Q2'21, respectively and was \$62.3MM and \$28.1MM in YTD 2022 and YTD 2021 respectively.

Leverage Trend



2022 Financial Guidance

(\$ in Millions)	2022E Revised	2022E Previous	% Change
Revenue	\$730 - \$760	\$730 - \$760	No Change
Transaction Adjusted EBITDA	\$232 - \$242	\$235 - \$253	(2.9%)
Maintenance Capital Expenditures	\$26 - \$28 3.6% - 3.7%	\$26 - \$28 3.6% - 3.7%	No Change
Expansion Capital Expenditures	\$102 - \$127	\$102 - \$127	No Change

Appendix

Reconciliation of GAAP to Non-GAAP Results

CYXTERA TECHNOLOGIES, INC.
 RECONCILIATION OF GAAP TO NON-GAAP RESULTS
 For Three Months Ended June 30, 2022, and 2021
 (unaudited, in millions)

	Three Months Ended June 30,	
	2022	2021
Net Loss to EBITDA Reconciliation:		
Net loss	\$ (48.1)	(93.0)
Depreciation and amortization	60.8	60.5
Interest and other expenses, net	39.0	43.5
Income tax (benefit) expense	(2.0)	(12.9)
EBITDA	\$ 49.7	(1.9)
Transaction Adjustments		
Equity-based compensation	6.4	1.8
Straight-line rent adjustment	0.5	0.7
Amortization of Favorable/Unfavorable Leasehold Interest & ARO accretion	0.9	0.9
Stand-up separation & other	1.2	0.3
Restructuring costs & other	1.3	60.6
Change in fair value of warrant liabilities	—	—
Total Adjustments	10.3	64.3
Transaction Adjusted EBITDA	\$ 60.0	62.3

Note: Numbers may not foot or cross-foot due to rounding

Reconciliation of GAAP to Non-GAAP Results

CYXTERA TECHNOLOGIES, INC.
 RECONCILIATION OF GAAP TO NON-GAAP RESULTS
 For Six Months Ended June 30, 2022, and 2021
 (unaudited, in millions)

	Six Months Ended June 30,	
	2022	2021
Net Loss to EBITDA Reconciliation:		
Net loss	\$ (89.0)	(145.6)
Depreciation and amortization	123.1	121.1
Interest and other expenses, net	77.1	87.2
Income tax (benefit) expense	2.1	(25.8)
EBITDA	\$ 113.3	36.9
Transaction Adjustments		
Equity-based compensation	9.8	3.6
Straight-line rent adjustment	1.1	1.9
Amortization of Favorable/Unfavorable Leasehold Interest & ARO accretion	1.8	1.7
Stand-up separation & other	1.8	3.4
Restructuring costs & other	2.6	70.9
Change in fair value of warrant liabilities	(11.8)	—
Total Adjustments	5.2	81.4
Transaction Adjusted EBITDA	\$ 118.5	118.4

Note: Numbers may not foot or cross-foot due to rounding

Capitalization

(\$ in Millions)	Rate	6/30/2022	Rate	3/31/2022
Cash and Cash Equivalents		\$40		\$60
Revolver (Maturing 11/2023)	L + 300 bps	20	L + 300 bps	0
1st Lien Debt (Maturing 5/2024)	L + 300 bps ⁽²⁾	868 ⁽³⁾	L + 300 bps ⁽²⁾	867 ⁽³⁾
Capital Leases		1,121		1,118
Total Debt		\$2,009		\$1,985
Net Debt ⁽¹⁾		1,969		1,924
Less: Optional renewal portion of Capital Leases		(208)		(203)
Contractual Net Debt (Excl. Optional Capital Leases)		1,761		1,721
Less: Contractually obligated Capital Leases		(878)		(876)
Less: Equipment Leases		(35)		(38)
Financial Net Debt (Excl. All Capital Leases)		848		807
Key Credit Metrics	Metric		Metric	
TTM Transaction Adj. EBITDA / Net Leverage (4)	224	8.8x	227	8.5x
TTM Transaction Adj. EBITDA / Contractual Net Leverage (5)	224	7.8	227	7.6
TTM Transaction Adj. EBITDAR / Lease Adjusted Leverage (6)	286	6.3	290	6.1
TTM Transaction Adj. EBITDA / Financial Net Leverage (7)	224	3.8	227	3.6
Total Liquidity		\$135		\$184

(1) Net Debt is equal to total debt minus cash and cash equivalents; (2) Incremental \$100m First Lien Term Loan Interest rate of L + 400 bps; (3) Debt balances are based on GAAP reporting and are shown gross of unamortized issuance costs; (4) Net leverage is calculated by dividing net debt by LTM Q2 2022A Transaction Adj. EBITDA; (5) Contractual Net Leverage is calculated by dividing Contractual Net Debt (which includes the GAAP calculation of Capital Lease obligations, adjusted to exclude obligations attributable to the term of any future lease extension option exercisable at the Company's discretion) by LTM Q2 2022A Transaction Adj. EBITDA; (6) Lease Adjusted Leverage is calculated by dividing financial net debt and secured capital leases + 5x real estate lease payments (5x methodology based on Moody's Communications Infrastructure sector lease capitalization multiple) by LTM Q2 2022A Transaction Adj. EBITDAR; (7) Financial Net Leverage is calculated by dividing Financial Net Debt (Net Debt, adjusted to exclude all Capital Lease obligations) by LTM Q2 2022A Transaction Adj. EBITDA.



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