PRESS RELEASE

Stateless Secures $11.33M in Series A Funding to Reinvent Data Center Connectivity with Software-Defined Interconnect

Drive Capital and Speedinvest Fund Stateless' Oversubscribed Series A Round as Company Emerges from Stealth

BOULDER, Colo. – January 30, 2019 – Stateless, Inc., the company reinventing network connectivity, today announced it has raised $11.33 million in Series A funding. The investment is spurred by the rapid demand to extend connectivity beyond the data center and to connect workloads across data centers, hyperscale clouds and on-premises footprints. The oversubscribed Series A Round was led by Drive Capital with participation from existing investor Speedinvest.

Changing market dynamics such as the accelerating decline of on premises enterprise data centers, the introduction of software-defined WAN ("SD-WAN") and the continued growth of huge hyperscale public clouds have caused enterprises to adopt hybrid multi-cloud strategies. Colocation providers, which have traditionally served as space, power and physical network connectivity resources, should now position themselves to be the hub for tenant traffic as workloads are decentralized. Stateless was founded to enable colocation providers and cloud MSPs to sit at the core of tenant networks through software-defined interconnect (SD-IX). SD-IX gives providers software-defined management of cross-connects so that they can protect their connectivity revenue, intelligently extend outside a single physical location and optimize their internal networks.

"Stateless aims to take network applications to the next level with a ground-breaking approach to connectivity," said Murad Kablan, co-founder and CEO of Stateless. "The world of colocation and cloud service providers is rapidly transforming, and providers risk losing the value of their existing networking assets if they do not optimize for new use cases. The platform we are building is designed to elevate existing network assets to provide greater security, visibility and control, no matter the endpoint."

[Tweet this](): Emerging from stealth, @BeStateless secures $11.33M in Series A funding and is poised to reinvent connectivity with fresh, leading-edge software-defined interconnect (SD-IX) - https://bit.ly/2TmfGxY

The Series A funding will be used to expand deployment and operations activities and to optimize the Stateless platform. The funding investment represents one of the largest Series A capital rounds raised in Colorado within the past 12 months.

"Interconnection capabilities are becoming paramount as Equinix and organizations across the globe move towards more digitization of assets and information," said Muhammad Durrani, global architecture & engineering lead, Equinix. "To realize the true value of our infrastructure, we need to greatly enhance the existing network connections beyond what fiber and cable can provide to us and

our customers at our scale. Stateless' software-defined interconnect approach is spot-on and will help drive future growth and success."

"Flexential is excited about the capabilities Stateless brings to simplify the industry's operational challenges due to the increase of network bandwidth and applications in our data centers," said Jason Carolan, chief innovation officer at Flexential. "With its game-changing technologies and vision for reinventing connectivity, Stateless is a valued partner and is well-positioned to have a transformational impact on the network-enabled colocation industry."

According to a [report by Structure Research](), colocation and cloud service providers are set to experience growing demand as enterprises move away from on premise data centers. Outsourced infrastructure revenue is expected to increase at a compound annual growth rate (CAGR) of 28 percent through 2022, when it is forecasted to reach $382.63 billion up from $138 billion in 2018. Stateless is poised to capitalize on this opportunity.

"Stateless brings together a truly unique collection of talent, experience and vision for delivering a revolutionary architecture for network applications, and we are excited to be working with them on their next phase of growth," said Andy Jenks, partner at Drive Capital. "Networks have not seen the same magnitude of benefits from virtualization that compute and storage have achieved. We believe Stateless' unique architecture is the key to the next generation of networking."

The company will release more details on its technology, platform and products at a future date.

About Stateless
Stateless is reinventing connectivity. We are dedicated to relentlessly solving the network challenges others deem impossible. The revolutionary Stateless platform gives users the power to optimize existing network assets to control and connect every endpoint, including portfolio data centers, tenant sites and hyperscale clouds. Stateless is proudly based in Boulder, Colorado. Learn more at [www.bestateless.com]().

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