



ABN: 46 607 301 959

## Notice of Extraordinary General Meeting

28 January 2022

# CHAIRMAN'S LETTER

17 December 2021

Dear shareholder

I am pleased to invite you to attend an Extraordinary General Meeting of Megaport Limited (**Megaport**), which will be held online at the following time and place:

**Date** 28 January 2022  
**Time** 10.00am (Brisbane time)  
**Location** Online at <http://web.lumiagm.com/399006568>

On behalf of the Board, the resolutions to grant options to each of Mr Michael Klayko, Ms Melinda Snowden and Ms Glo Gordon (**Relevant NEDs**), which were put to shareholders at Megaport's annual general meeting on 22 October 2021 (**AGM**), and voted down, will be put to shareholders again at this meeting.

We are proposing the resolutions for your consideration once again because we strongly believe that it is important to be able to attract and retain the type of top talent at a Board level that is critical to move the organisation into our next stage of growth globally.

We all share a common goal of wanting to see solid growth and performance across the organisation and to achieve the financial targets that we are hoping to, requires a strong team at every level. Having Board members that are security holders ensures that they have an active interest in the achievements of the organisation and ultimately increasing the value of the company over time.

We want to be able to hire experienced Directors with relevant industry experience within the markets in which we operate. That requires us to be flexible for the right skills and experience so that we can remain competitive and align with the relevant market expectations. On a global basis, this means competing with opportunities that Directors have in much larger and more technology-centric markets, such as the US. Our concern as a Board is that the rigid governance rules apply restrictions on our ability to do this effectively and which ultimately hinders our ability to achieve our goals and objectives.

Support for the election of the Relevant NEDs was resounding. Greater than 99% of shareholders voted "for" their re-appointment. Shareholders understand the contribution of these Directors to the business and what we are trying to achieve for our shareholders. However, disappointingly proxy advisors recommended that shareholders vote against their pay - specifically, against granting them 100,000 options as part of their remuneration package.

Does voting down the grant of options to the Relevant NEDs mitigate any risk that the Relevant NEDs fail to exercise their duty to express dissenting views on the board (because the Relevant NEDs are concerned that their options may not vest)? No. The Relevant NEDs are industry professionals with track records of success and valuable reputations. Is the amount of options unreasonable? No. The options are issued "at market", each grant represents only 0.06% of share capital and the grants allow the company to retain highly regarded and experienced global talent on a cash-efficient basis. What voting down the resolution does do though is create a failure on our part to fairly compensate these top professionals and adequately recognise their unique expertise, time, experience and significant contribution. We also fear that the implications will carry on and have far greater impact than just this present situation as it has the potential to impact Megaport's ability to attract and retain expert Directors in the future.

For the reasons outlined above, the Board (excluding the Relevant NEDs) believes the options form part of an offer that accurately reflects their value and the terms on which they joined our Board and accordingly recommends that shareholders vote in favour of the resolutions.

Due to COVID-19 restrictions, no physical meeting will be held. Shareholders participating in the online Meeting will be able to vote and ask questions during the meeting. To participate, you will require your shareholder number and postcode or country code, for verification purposes.

More information regarding virtual attendance at the Extraordinary General Meeting (including how to

vote and ask questions virtually during the Meeting) is set out in this Notice of Meeting and the Lumi Guide at [www.investorvote.com.au/](http://www.investorvote.com.au/).

You may vote online prior to the Meeting at [www.investorvote.com.au/](http://www.investorvote.com.au/).

I also encourage you to submit any questions you may have on matters of concern, or matters for which you are seeking clarification, prior to the Extraordinary General Meeting at [www.investorvote.com.au/](http://www.investorvote.com.au/).

The business to be considered at the Extraordinary General Meeting is provided on page 3 of the Notice of Meeting. An explanatory statement in relation to each of the proposed resolutions is set out in the Explanatory Memorandum.

In addition to hard copies of the Notice of Meeting and Explanatory Memorandum being sent to shareholders who have opted in to receive communications by post, both the Notice of Meeting and Explanatory Memorandum will be available on the Australian Securities Exchange market announcement platform and on Megaport's website at <http://web.lumiagm.com/399006568>.

If you have not already done so, please consider receiving all securityholder communications electronically via your nominated email address. As an investor, you will benefit from secure, convenient and prompt delivery of information, and will help us reduce our impact on the environment. You can update your communications preferences at [www.computershare.com.au/easyupdate/MP1](http://www.computershare.com.au/easyupdate/MP1).

We look forward to your participation at the Extraordinary General Meeting.

Yours faithfully



**Bevan Slattery**  
Chairman  
Megaport Limited

# NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting of Megaport Limited ACN 607 301 959 (**Megaport**) will be held at:

Date	28 January 2022
Time	10.00 am (Brisbane time)
Location	Online at <a href="http://web.lumiagm.com/399006568">http://web.lumiagm.com/399006568</a>

Shareholders are invited to participate in the EGM virtually via our EGM platform at <http://web.lumiagm.com/399006568> or via the appointment of a proxy.

We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below.

Enter <http://web.lumiagm.com/399006568> into a web browser on your computer or online device.

Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode or country code to register.

Proxyholders will need to contact Computershare Investor Services on +61 3 9415 4024 during the online registration period which will open 1 hour before the start of the Meeting to obtain their username and password.

## **EGM considerations and shareholder questions**

A discussion will be held on all items to be considered at the EGM.

All shareholders will have a reasonable opportunity to ask questions during the EGM via the virtual EGM platform.

To ensure that as many shareholders as possible have the opportunity to speak, shareholders are requested to observe the following:

- all shareholder questions should be stated clearly and should be relevant to the business of the Meeting, including general questions about the performance, business or management of Megaport;
- if there are a number of similar questions these may be amalgamated and addressed collectively in the interest of time; and
- shareholders should not ask questions at the Meeting regarding personal matters or those that are commercial in confidence.

Shareholders who prefer to register questions in advance of the EGM are invited to do so at [www.investorvote.com.au/](http://www.investorvote.com.au/).

## **All resolutions by poll**

The Chairman intends to call a poll on each of the resolutions proposed at the EGM. Each resolution considered at the EGM will therefore be conducted by poll, rather than a show of hands. The Chairman considers voting by poll to be in the interests of the shareholders as a whole, and to ensure the representation of as many shareholders as possible at the Meeting.

## How to vote

Shareholders may vote by either:

- using the online platform; or
- appointing a proxy.

**Using the online platform.** We recommend logging into the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

- enter <http://web.lumiagm.com/399006568> into a web browser on your computer or online device;
- shareholders will need their SRN or HIN and postcode or country to register.

Proxyholders will need to contact Computershare Investor Services on +61 3 9415 4024 during the online registration period which will open 1 hour before the start of the Meeting to obtain their username and password.

Online voting will be open between the commencement of the Meeting at 10.00am (Brisbane time) on 28 January 2022 and the time at which the Chairman announces voting closure.

More information about online participation in the Meeting is available in the Lumi Guide at [www.investorvote.com.au/](http://www.investorvote.com.au/) and on Megaport's website at <http://web.lumiagm.com/399006568>.

**Appointing a proxy to attend and vote on their behalf.** A shareholder who is entitled to vote at the Meeting may appoint:

- one proxy if the shareholder is only entitled to one vote; or
- two proxies if the shareholder is entitled to more than one vote.

Where the shareholder appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one half of the votes.

A proxy need not be a shareholder of Megaport. If you require a proxy form to appoint a second proxy, please contact Computershare Investor Services on 1300 850 505 (within Australia) +61 3 9415 4000 (outside Australia), which will supply it on request.

The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by Computershare Investor Services no later than 26 January 2022 at 10.00am (that is, at least 48 hours before the Meeting). Proxies received after this time will not be accepted.

Proxies from corporate shareholders must be executed in accordance with their constitution or signed by a duly authorised attorney.

A proxy may decide whether to vote on any motion except where the proxy is required by law or Megaport's Constitution to vote, or abstain from voting, in their capacity as a proxy. If a proxy directs how to vote on an item of business, the proxy may only vote on that item, in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote how he/she thinks fit.

If a shareholder appoints the Chairman of the Meeting as the shareholder's proxy and does not specify how the Chairman is to vote on an item of business, the Chairman will vote, as a proxy for that shareholder, in favour of the item on a poll.

## SPECIAL BUSINESS

### Grant of Options to Mr Michael Klayko

To consider and, if in favour, to pass the following Resolution as an ordinary resolution:

- 1 'That, for the purposes of ASX Listing Rule 10.14 and all other purposes, shareholders approve the grant of 100,000 Options with an exercise price equal to the closing price of Megaport Shares on ASX on the trading day before Mr Michael Klayko's appointment as a Director (being \$11.78), and the issue of up to 100,000 Megaport Shares on exercise of those Options, to Mr Klayko, as detailed in the Explanatory Memorandum.'

**Note:** Any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the ESOP General and any Associates of such persons are restricted from voting on this Resolution. Please refer to the voting restriction statement for this Resolution on page 4 of this Notice of Meeting. The voting exclusion statement for this Resolution also includes a restriction on voting in accordance with sections 250BD(1) and 250BD(2) of the Corporations Act.

The Directors (excluding the Relevant NEDs, who abstain in the interests of corporate governance) recommend that shareholders vote in favour of Resolution 1.

### Grant of Options to Ms Melinda Snowden

To consider and, if in favour, to pass the following Resolution as an ordinary resolution:

- 2 'That, for the purposes of ASX Listing Rule 10.14 and all other purposes, shareholders approve the grant of 100,000 Options with an exercise price equal to the closing price of Megaport Shares on ASX on the trading day before Ms Melinda Snowden's appointment as a Director (being \$14.99), and the issue of up to 100,000 Megaport Shares on exercise of those Options, to Ms Snowden, as detailed in the Explanatory Memorandum.'

**Note:** Any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the ESOP General and any Associates of such persons are restricted from voting on this Resolution. Please refer to the voting restriction statement for this Resolution on pages 4 and 5 of this Notice of Meeting. The voting exclusion statement for this Resolution also includes a restriction on voting in accordance with sections 250BD(1) and 250BD(2) of the Corporations Act.

The Directors (excluding the Relevant NEDs, who abstain in the interests of corporate governance) recommend that shareholders vote in favour of Resolution 2.

### Grant of Options to Ms Glo Gordon

To consider and, if in favour, to pass the following Resolution as an ordinary resolution:

- 3 'That, for the purposes of ASX Listing Rule 10.14 and all other purposes, shareholders approve the grant of 100,000 Options with an exercise price equal to the closing price of Megaport Shares on ASX on the trading day before Ms Glo Gordon's appointment as a Director (being \$18.43), and the issue of up to 100,000 Megaport Shares on exercise of those Options, to Ms Gordon, as detailed in the Explanatory Memorandum.'

**Note:** Any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the ESOP General and any Associates of such persons are restricted from voting on this Resolution. Please refer to the voting restriction statement for this Resolution on page 5 of this Notice of Meeting. The voting exclusion statement for this Resolution also includes a restriction on voting in accordance with sections 250BD(1) and 250BD(2) of the Corporations Act.

The Directors (excluding the Relevant NEDs, who abstain in the interests of corporate governance) recommend that shareholders vote in favour of Resolution 3.

By order of the Board



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**Celia Pheasant**  
Company Secretary  
17 December 2021

## Notes

- (a) A shareholder who is entitled to attend and cast a vote at the Extraordinary General Meeting is entitled to appoint a proxy. The proxy need not be a shareholder of Megaport. A shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (b) If you wish to appoint a proxy and are entitled to do so, you may appoint a proxy online at [www.investorvote.com.au/](http://www.investorvote.com.au/).
- (c) If the proxy form specifies the way the proxy is to vote on a particular Resolution the proxy need not vote on a show of hands but if the proxy does so, it must vote as specified in the proxy form.
- (d) If the proxy has two or more appointments that specify different ways to vote on the Resolution the proxy must not vote on a show of hands.
- (e) If the proxy is the Chairman of the Extraordinary General Meeting, the proxy must vote on a poll or must vote the way specified in the proxy form.
- (f) If the proxy is not the Chairman of the Extraordinary General Meeting the proxy need not vote on the poll, but if the proxy does so, the proxy must vote as specified in the proxy form.
- (g) If the proxy form specifies the way the proxy is to vote on a particular Resolution and the proxy is not the Chairman of the Extraordinary General Meeting and a poll is demanded and either:
  - (i) the proxy is not recorded as attending; or
  - (ii) the proxy does not vote,the Chairman of the Extraordinary General Meeting is deemed the proxy for that Resolution.
- (h) A corporation may elect to appoint a representative, rather than appoint a proxy, under the Corporations Act in which case Megaport will require written proof of the representative's appointment which must be lodged with or presented to Megaport before the Extraordinary General Meeting.
- (i) Megaport has determined under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that for the purpose of voting at the Extraordinary General Meeting or adjourned meeting, securities are taken to be held by those persons recorded in Megaport's register of shareholders as at 7.00pm (Sydney time) on Wednesday, 26 January 2022.
- (j) If you have any queries on how to cast your votes, please call Celia Pheasant (Company Secretary) on +61 408 841 185 during business hours.

## Voting restrictions

### Resolution 1– Grant of Options to Mr Michael Klayko

In accordance with ASX Listing Rule 14.11, Megaport will disregard any votes cast in favour of Resolution 1 by or on behalf of any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the ESOP General or any Associate of any such person.

However, Megaport need not disregard a vote cast in favour of Resolution 1 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with directions given to the proxy or attorney to vote on Resolution 1 in that way; or
- (b) the Chairman of the Extraordinary General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the Chairman to vote on Resolution 1 as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided that:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 1; and
  - (ii) the holder votes on Resolution 1 in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast on Resolution 1 by KMP or their Closely Related Parties, or by those persons as proxy where the appointment as proxy does not specify the way the proxy is to vote on the relevant Resolution (i.e. for, against, abstain). However, in accordance with section 250BD(2) of the Corporations Act, Megaport need not disregard votes cast in favour of Resolution 1 if the votes are cast by the Chairman of the Extraordinary General Meeting and the appointment of the Chairman as proxy expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

### Resolution 2 – Grant of Options to Ms Melinda Snowden

In accordance with ASX Listing Rule 14.11, Megaport will disregard any votes cast in favour of Resolution 2 by or on behalf of any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the ESOP General or any Associate of any such person.

However, Megaport need not disregard a vote cast in favour of Resolution 2 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with directions given to the proxy or attorney to vote on Resolution 2 in that way; or
- (b) the Chairman of the Extraordinary General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 2, in accordance with a direction given to the Chairman to vote on Resolution 2 as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided that:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 2; and

- (ii) the holder votes on Resolution 2 in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast on Resolution 2 by KMP or their Closely Related Parties, or by those persons as proxy where the appointment as proxy does not specify the way the proxy is to vote on the relevant Resolution (i.e. for, against, abstain). However, in accordance with section 250BD(2) of the Corporations Act, Megaport need not disregard votes cast in favour of Resolution 2 if the votes are cast by the Chairman of the Extraordinary General Meeting and the appointment of the Chairman as proxy expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

### **Resolution 3 – Grant of Options to Ms Glo Gordon**

In accordance with ASX Listing Rule 14.11, Megaport will disregard any votes cast in favour of Resolution 3 by or on behalf of any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the ESOP General or any Associate of any such person.

However, Megaport need not disregard a vote cast in favour of Resolution 3 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with directions given to the proxy or attorney to vote on Resolution 3 in that way; or
- (b) the Chairman of the Extraordinary General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chairman to vote on Resolution 3 as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided that:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 3; and
  - (ii) the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast on Resolution 3 by KMP or their Closely Related Parties, or by those persons as proxy where the appointment as proxy does not specify the way the proxy is to vote on the relevant Resolution (i.e. for, against, abstain).

However, in accordance with section 250BD(2) of the Corporations Act, Megaport need not disregard votes cast in favour of Resolution 3 if the votes are cast by the Chairman of the Extraordinary General Meeting and the appointment of the Chairman as proxy expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

### **Voting intentions of the Chairman**

The Chairman of the Extraordinary General Meeting intends to vote all undirected proxies in favour of each item of business.

# EXPLANATORY MEMORANDUM

This Explanatory Memorandum accompanies the Notice of Extraordinary General Meeting of Megaport Limited (**Megaport**) to be held online at <http://web.lumiagm.com/399006568> on Friday, 28 January 2022 at 10.00 am (Brisbane time).

The Explanatory Memorandum has been prepared to assist shareholders in determining how to vote on the Resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

## Resolution 1: Grant of Options to Mr Michael Klayko

- 1 The Board has agreed, subject to obtaining shareholder approval, to grant 100,000 Options, in two equal tranches, to Mr Michael Klayko under the ESOP General. The details of the Options proposed to be granted to Mr Klayko are set out in the following table:

Tranche	Number of Options	Vesting date	Conditions
1	50,000	The first anniversary of Mr Klayko's appointment as a Director, being 16 March 2022 ( <b>First Tranche Vesting Date</b> )	The Options do not have vesting conditions, disposal restrictions or other conditions attached to them. The Options will expire on the first anniversary of the First Tranche Vesting Date, being 16 March 2023.
2	50,000	The second anniversary of Mr Klayko's appointment as a Director, being 16 March 2023 ( <b>Second Tranche Vesting Date</b> )	The Options do not have vesting conditions, disposal restrictions or other conditions attached to them. The Options will expire on the first anniversary of the Second Tranche Vesting Date, being 16 March 2024.

- 2 The key terms of the Options are as follows:
- the Options will be granted for no consideration;
  - each Option will convert into one Megaport Share;
  - the Options are not transferable;
  - the exercise price for the Options will be the price equal to the closing price of Megaport Shares on ASX on the trading day before Mr Klayko's appointment as a Director (being \$11.78); and
  - the Options are exercisable at any time during the 12-month period commencing on the relevant vesting date (as set out in the table above).

- 3 The Options are otherwise subject to the terms and conditions set out in the ESOP General, a summary of which is contained in Annexure A.

### ASX Listing Rule 10.14

- 4 ASX Listing Rule 10.11 restricts Megaport from issuing equity securities to certain related parties of Megaport (as set out in ASX Listing Rules 10.11.1 to 10.11.3) and their Associates (as set out in ASX Listing Rule 10.11.4), and to any person whose relationship with Megaport or such a related party is (in ASX's opinion) such that shareholder approval should be obtained (as set out in ASX Listing Rule 10.11.5), without the approval of shareholders, unless an exception applies. An issue of equity securities under an employee incentive scheme made, or taken to have been made, with the approval of the holders of ordinary securities of an entity under ASX Listing Rule 10.14 is an exception to the general prohibition in ASX Listing Rule 10.11.

- 5 As such, the acquisition of equity securities by a Director under an employee incentive scheme such as the ESOP General requires shareholder approval under ASX Listing Rule 10.14. Accordingly, shareholder approval is sought for the grant of Options to Mr Klayko, and to the extent those Options are exercised, the issue of the underlying Megaport Shares.

6 Once shareholder approval is obtained under ASX Listing Rule 10.14, Megaport is entitled to rely on ASX Listing Rule 10.12 (Exception 8) as an exception to any requirement that may otherwise apply requiring shareholder approval under ASX Listing Rule 10.11. Similarly, shareholder approval will not be required under ASX Listing Rule 7.1, as ASX Listing Rule 7.2 (Exception 14) applies.

7 In compliance with the disclosure requirements of ASX Listing Rule 10.15, shareholders are advised of the following additional particulars in relation to the grant of the Options:

<b>Name of person to be granted the Options</b>	Mr Michael Klayko
<b>Category in ASX Listing Rule 10.14</b>	Mr Klayko is a Director of Megaport for the purposes of ASX Listing Rule 10.14.1
<b>Number of Options to be granted</b>	100,000 Options
<b>Information required in accordance with ASX Listing Rules 10.15.4 and 10.15.5</b>	The details of Mr Klayko's current total remuneration package are set out in Megaport's FY2020-2021 annual report at pages 38 to 47 (a copy of which is available at <a href="http://www.investorvote.com.au/">www.investorvote.com.au/</a> . Mr Klayko has not previously been granted any Options under the ESOP General.
<b>Material terms of the Options and other information required in accordance with ASX Listing Rule 10.15.6</b>	Refer to paragraph 2 above. Options are proposed to be granted in this case to strengthen the alignment between performance related remuneration and shareholder returns, ensuring that remuneration outcomes for Mr Klayko are directly linked to performance in a manner that is ultimately aligned to shareholder interests. Assuming a spot price per Megaport Share of \$20.38, Megaport estimates an average fair value of \$9.70 per Option using the Black-Scholes pricing model.
<b>Date Megaport will grant the Options</b>	Assuming Resolution 1 is approved by shareholders, the Options are proposed to be granted shortly after the Extraordinary General Meeting, but in any event no later than three years after the Extraordinary General Meeting
<b>Issue price</b>	No amount is payable for the grant of the Options
<b>Summary of material terms of the ESOP General</b>	Refer to the summary of the terms and conditions of the ESOP General contained in Annexure A

8 Details of any securities issued under the ESOP General will be published in Megaport's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the ESOP General after this Resolution 1 is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

9 If this Resolution is passed, the Options will be granted to Mr Klayko on the basis set out above. If this Resolution is not passed, the Options will not be granted to Mr Klayko.

#### **Directors' recommendation**

10 The Directors (excluding the Relevant NEDs, who abstain in the interests of corporate governance) recommend that shareholders vote in favour of Resolution 1.

## Resolution 2: Grant of Options to Ms Melinda Snowden

- 11 The Board has agreed, subject to obtaining shareholder approval, to grant 100,000 Options, in two equal tranches, to Ms Melinda Snowden under the ESOP General. The details of the Options proposed to be granted to Ms Snowden are set out in the following table:

Tranche	Number of Options	Vesting date	Conditions
1	50,000	The first anniversary of Ms Snowden's appointment as a Director, being 1 June 2022 ( <b>First Tranche Vesting Date</b> )	The Options do not have vesting conditions, disposal restrictions or other conditions attached to them. The Options will expire on the first anniversary of the First Tranche Vesting Date, being 1 June 2023.
2	50,000	The second anniversary of Ms Snowden's appointment as a Director, being 1 June 2023 ( <b>Second Tranche Vesting Date</b> )	The Options do not have vesting conditions, disposal restrictions or other conditions attached to them. The Options will expire on the first anniversary of the Second Tranche Vesting Date, being 1 June 2024.

- 12 The key terms of the Options are as follows:
- the Options will be granted for no consideration;
  - each Option will convert into one Megaport Share;
  - the Options are not transferable;
  - the exercise price for the Options will be the price equal to the closing price of Megaport Shares on ASX on the trading day before Ms Snowden's appointment as a Director (being \$14.99); and
  - the Options are exercisable at any time during the 12-month period commencing on the relevant vesting date (as set out in the table above).

- 13 The Options are otherwise subject to the terms and conditions set out in the ESOP General, a summary of which is contained in Annexure A.

### ASX Listing Rule 10.14

- 14 ASX Listing Rule 10.11 restricts Megaport from issuing equity securities to certain related parties of Megaport (as set out in ASX Listing Rules 10.11.1 to 10.11.3) and their Associates (as set out in ASX Listing Rule 10.11.4), and to any person whose relationship with Megaport or such a related party is (in ASX's opinion) such that shareholder approval should be obtained (as set out in ASX Listing Rule 10.11.5), without the approval of shareholders, unless an exception applies. An issue of equity securities under an employee incentive scheme made, or taken to have been made, with the approval of the holders of ordinary securities of an entity under ASX Listing Rule 10.14 is an exception to the general prohibition in ASX Listing Rule 10.11.
- 15 As such, the acquisition of equity securities by a Director under an employee incentive scheme such as the ESOP General requires shareholder approval under ASX Listing Rule 10.14. Accordingly, shareholder approval is sought for the grant of Options to Ms Snowden, and to the extent those Options are exercised, the issue of the underlying Megaport Shares.
- 16 Once shareholder approval is obtained under ASX Listing Rule 10.14, Megaport is entitled to rely on ASX Listing Rule 10.12 (Exception 8) as an exception to any requirement that may otherwise apply requiring shareholder approval under ASX Listing Rule 10.11. Similarly, shareholder approval will not be required under ASX Listing Rule 7.1, as ASX Listing Rule 7.2 (Exception 14) applies.
- 17 In compliance with the disclosure requirements of ASX Listing Rule 10.15, shareholders are advised of the following additional particulars in relation to the grant of the Options:

<b>Name of person to be granted the Options</b>	Ms Melinda Snowden
<b>Category in ASX Listing Rule 10.14</b>	Ms Snowden is a Director of Megaport for the purposes of ASX Listing Rule 10.14.1

<b>Number of Options to be granted</b>	100,000 Options
<b>Information required in accordance with ASX Listing Rules 10.15.4 and 10.15.5</b>	The details of Ms Snowden's current total remuneration package are set out in Megaport's FY2020-2021 annual report at pages 38 to 47 (a copy of which is available at <a href="http://www.investorvote.com.au/">www.investorvote.com.au/</a> . Ms Snowden has not previously been granted any Options under the ESOP General.
<b>Material terms of the Options and other information required in accordance with ASX Listing Rule 10.15.6</b>	Refer to paragraph 12 above. Options are proposed to be granted in this case to strengthen the alignment between performance related remuneration and shareholder returns, ensuring that remuneration outcomes for Ms Snowden are directly linked to performance in a manner that is ultimately aligned to shareholder interests. Assuming a spot price per Megaport Share of \$20.38, Megaport estimates an average fair value of \$7.64 per Option using the Black-Scholes pricing model.
<b>Date Megaport will grant the Options</b>	Assuming Resolution 2 is approved by shareholders, the Options are proposed to be granted shortly after the Extraordinary General Meeting, but in any event no later than three years after the Extraordinary General Meeting
<b>Issue price</b>	No amount is payable for the grant of the Options
<b>Summary of material terms of the ESOP General</b>	Refer to the summary of the terms and conditions of the ESOP General contained in Annexure A

- 18 Details of any securities issued under the ESOP General will be published in Megaport's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the ESOP General after this Resolution 2 is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.
- 19 If this Resolution is passed, the Options will be granted to Ms Snowden on the basis set out above. If this Resolution is not passed, the Options will not be granted to Ms Snowden.

#### Directors' recommendation

- 20 The Directors (excluding the Relevant NEDs, who abstain in the interests of corporate governance) recommend that shareholders vote in favour of Resolution 2.

#### Resolution 3: Grant of Options to Ms Glo Gordon

- 21 The Board has agreed, subject to obtaining shareholder approval, to grant 100,000 Options, in two equal tranches, to Ms Glo Gordon under the ESOP General. The details of the Options proposed to be granted to Ms Gordon are set out in the following table:

Tranche	Number of Options	Vesting date	Conditions
1	50,000	The first anniversary of Ms Gordon's appointment as a Director, being 1 July 2022 ( <b>First Tranche Vesting Date</b> )	The Options do not have vesting conditions, disposal restrictions or other conditions attached to them. The Options will expire on the first anniversary of the First Tranche Vesting Date, being 1 July 2023.
2	50,000	The second anniversary of Ms Gordon's appointment as a Director, being 1 July 2023 ( <b>Second Tranche Vesting Date</b> )	The Options do not have vesting conditions, disposal restrictions or other conditions attached to them. The Options will expire on the first anniversary of the Second Tranche Vesting Date, being 1 July 2024.

- 22 The key terms of the Options are as follows:
- (a) the Options will be granted for no consideration;
  - (b) each Option will convert into one Megaport Share;
  - (c) the Options are not transferable;
  - (d) the exercise price for the Options will be the price equal to the closing price of Megaport Shares on ASX on the trading day before Ms Gordon's appointment as a Director (being \$18.43); and
  - (e) the Options are exercisable at any time during the 12-month period commencing on the relevant vesting date (as set out in the table above).

- 23 The Options are otherwise subject to the terms and conditions set out in the ESOP General, a summary of which is contained in Annexure A.

#### **ASX Listing Rule 10.14**

- 24 ASX Listing Rule 10.11 restricts Megaport from issuing equity securities to certain related parties of Megaport (as set out in ASX Listing Rules 10.11.1 to 10.11.3) and their Associates (as set out in ASX Listing Rule 10.11.4), and to any person whose relationship with Megaport or such a related party is (in ASX's opinion) such that shareholder approval should be obtained (as set out in ASX Listing Rule 10.11.5), without the approval of shareholders, unless an exception applies. An issue of equity securities under an employee incentive scheme made, or taken to have been made, with the approval of the holders of ordinary securities of an entity under ASX Listing Rule 10.14 is an exception to the general prohibition in ASX Listing Rule 10.11.
- 25 As such, the acquisition of equity securities by a Director under an employee incentive scheme such as the ESOP General requires shareholder approval under ASX Listing Rule 10.14. Accordingly, shareholder approval is sought for the grant of Options to Ms Gordon, and to the extent those Options are exercised, the issue of the underlying Megaport Shares.
- 26 Once shareholder approval is obtained under ASX Listing Rule 10.14, Megaport is entitled to rely on ASX Listing Rule 10.12 (Exception 8) as an exception to any requirement that may otherwise apply requiring shareholder approval under ASX Listing Rule 10.11. Similarly, shareholder approval will not be required under ASX Listing Rule 7.1, as ASX Listing Rule 7.2 (Exception 14) applies.
- 27 In compliance with the disclosure requirements of ASX Listing Rule 10.15, shareholders are advised of the following additional particulars in relation to the grant of the Options:

<b>Name of person to be granted the Options</b>	Ms Glo Gordon
<b>Category in ASX Listing Rule 10.14</b>	Ms Gordon is a Director of Megaport for the purposes of ASX Listing Rule 10.14.1
<b>Number of Options to be granted</b>	100,000 Options
<b>Information required in accordance with ASX Listing Rules 10.15.4 and 10.15.5</b>	Ms Gordon's current total remuneration package is \$135,000 per annum (inclusive of all benefits), comprising \$125,000 per annum for services as a non-executive Director and \$10,000 per annum for services as a member of the Remuneration and Nomination Committee.  Ms Gordon has not previously been granted any Options under the ESOP General.
<b>Material terms of the Options and other information required in accordance with ASX Listing Rule 10.15.6</b>	Refer to paragraph 22 above.  Options are proposed to be granted in this case to strengthen the alignment between performance related remuneration and shareholder returns, ensuring that remuneration outcomes for Ms Gordon are directly linked to performance in a manner that is ultimately aligned to shareholder interests. Assuming a spot price per Megaport Share of \$20.38, Megaport estimates an average fair value of \$5.91 per Option using the Black-Scholes pricing model.

<b>Date Megaport will grant the Options</b>	Assuming Resolution 3 is approved by shareholders, the Options are proposed to be granted shortly after the Extraordinary General Meeting, but in any event no later than three years after the Extraordinary General Meeting
<b>Issue price</b>	No amount is payable for the grant of the Options
<b>Summary of material terms of the ESOP General</b>	Refer to the summary of the terms and conditions of the ESOP General contained in Annexure A

- 28 Details of any securities issued under the ESOP General will be published in Megaport's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the ESOP General after this Resolution 3 is approved and who are not named in this Notice of Meeting will not participate until approval is obtained under ASX Listing Rule 10.14.
- 29 If this Resolution is passed, the Options will be granted to Ms Gordon on the basis set out above. If this Resolution is not passed, the Options will not be granted to Ms Gordon.

**Directors' recommendation**

- 30 The Directors (excluding the Relevant NEDs, who abstain in the interests of corporate governance) recommend that shareholders vote in favour of Resolution 3.

# GLOSSARY

**Associate**

has the meaning set out in Chapter 19 of the ASX Listing Rules

**ASX**

means ASX Limited ACN 008 624 691 or, as the case requires, the securities exchange operated by it

**ASX Listing Rules**

means the listing rules of ASX

**Board**

means the board of Directors of Megaport

**Closely Related Party**

has the meaning set out in the Corporations Act

**Constitution**

means the constitution of Megaport

**Corporations Act**

means *Corporations Act 2001* (Cth)

**Directors**

means the directors of Megaport

**ESOP General**

means Megaport's employee share option plan, the terms and conditions of which are summarised in Annexure A

**Explanatory Memorandum**

means the explanatory memorandum attached to the Notice of Meeting

**Extraordinary General Meeting or Meeting or EGM**

means Megaport's extraordinary general meeting the subject of this Notice of Meeting

**Key Management Personnel or KMP**

means those persons having authority and responsibility for planning, directing and controlling the activities of Megaport, directly or indirectly, including any Director (whether executive or otherwise) of Megaport (noting that the KMP for Megaport during the financial year ended 30 June 2021 are identified in the Directors' report contained in Megaport's FY2020-2021 annual report)

**Megaport**

means Megaport Limited ACN 607 301 959

**Megaport Shares**

means fully paid ordinary shares in Megaport

**Notice of Meeting**

means this notice of meeting and includes the Explanatory Memorandum

**Options**

means options to acquire Megaport Shares

**Relevant NEDs**

means Mr Michael Klayko, Ms Melinda Snowden and Ms Glo Gordon

# ANNEXURE A

## Summary of the terms of the ESOP General

### Eligibility criteria

The ESOP General is open to eligible participants (including full-time and part-time employees, executives, Directors and consultants) of Megaport or any one of its subsidiaries who the Board designates as being eligible.

### Maximum number of Megaport Shares over which Options can be granted

To the extent that a grant of Options is made in reliance on ASIC Class Order [CO 14/1000] (or some other relief or exemption from the disclosure requirements of Chapter 6D of the Corporations Act), then the Board must limit the number of Options granted to such number permitted under the relevant instrument of relief (if any).

### Grant of Options

All Options are to be offered to participants for no consideration. The offer must be in writing and specify, amongst other things, the number of Options for which the participants must apply, the period within which the Options may be exercised and any conditions to be satisfied before exercise, the Option expiry date (as determined by the Board) and the exercise period for the Options.

### Exercise

The Options may be exercised, subject to any exercise conditions, by the participant giving a signed notice to Megaport and paying the exercise price in full. Megaport will apply for official quotation of any Megaport Shares issued on exercise of any Options.

### Lapse

The Options shall lapse upon the earlier of the date specified by the Board or events contained in the plan rules for the ESOP General, including termination of employment or resignation, redundancy, death or disablement.

### Rights of participants

Once Megaport Shares are issued, transferred or allocated upon exercise of the Options, the participant will hold the Megaport Shares free of restrictions subject to the restriction on disposal. In the case of new Megaport Shares issued, the Megaport Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue.

Should Megaport undergo a reorganisation or reconstruction of capital or any other such change, the terms of the Options will be correspondingly changed to the extent necessary to comply with the ASX Listing Rules. In the event of a change of control, the Board shall have discretion to deal with the Options, including allowing accelerated vesting or the grant of Options in the substituted corporation. A holder of Options is not entitled to participate in a new issue of Megaport Shares or other securities made by Megaport to shareholders merely because he or she holds Options.

### Assignment

The Options are not transferable or assignable without the prior written approval of the Board.

### Administration

Administration of the ESOP General is the responsibility of the Board, which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the ASX Listing Rules) in addition to those set out in the plan rules for the ESOP General.

### Trust

The Board may, in its sole and absolute discretion, use a trust for the purpose of delivering Megaport Shares to participants upon exercise of Options, and holding Megaport Shares for participants of the ESOP General.

### Termination and amendment

The ESOP General may be triggered or suspended at any time by the Board. The plan rules for the ESOP General may be amended at any time by the Board except where the amendment reduces the rights of the holders of Options.