



ABN: 46 607 301 959

Notice of Annual General Meeting

22 October 2021

CHAIRMAN'S LETTER

20 September 2021

Dear shareholder

I am pleased to invite you to attend the 2021 Annual General Meeting of Megaport Limited (**Megaport**), which will be held online at the following time and place:

Date Friday, 22 October 2021
Time 10.00am (Brisbane time)
Location Online at <http://web.lumiagm.com/309489272>

Due to COVID-19 restrictions, no physical meeting will be held this year. 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 Annual 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/.

You may vote online prior to the meeting at 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 Annual General Meeting at www.investorvote.com.au/.

The business to be considered at the Annual General Meeting is provided on pages 4, 5 and 6 of this 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 www.megaport.com/investor/agm/.

Hard copies of Megaport's FY2020-2021 Annual Report will be sent to those shareholders who have elected to receive a hard copy. A copy of Megaport's FY2020-2021 Annual Report is also available online at www.investorvote.com.au/ and on Megaport's website at www.megaport.com/investor/agm/.

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.

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

Yours faithfully



Bevan Slattery
Chairman
Megaport Limited

NOTICE OF ANNUAL GENERAL MEETING

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

Date	Friday, 22 October 2021
Time	10.00am (Brisbane time)
Location	Online at http://web.lumiagm.com/309489272

Shareholders are invited to participate in the AGM virtually via our AGM platform at <http://web.lumiagm.com/309489272> 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/309489272> 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.

AGM considerations and shareholder questions

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

All shareholders will have a reasonable opportunity to ask questions during the AGM via the virtual AGM platform, including an opportunity to ask questions of Megaport's external auditor.

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 matters arising from the Directors' report (including the Remuneration Report), the auditor's report and the financial report, and 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 AGM are invited to do so at www.investorvote.com.au/.

All resolutions by poll

The Chairman intends to call a poll on each of the resolutions proposed at the AGM. Each resolution considered at the AGM 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/309489272> 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 22 October 2021 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/ and on Megaport's website at www.megaport.com/investor/agm/.

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 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 no later than 20 October 2021 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.

ORDINARY BUSINESS

Financial statements and reports

To receive and consider Megaport's financial reports and the reports of the Directors and the auditor for the financial year ended 30 June 2021.

Remuneration Report

To consider and, if in favour, to pass the following Resolution under section 250R(2) of the *Corporations Act 2001* (Cth) (**Corporations Act**):

- 1 'That the Remuneration Report of the Directors for the financial year ended 30 June 2021 be adopted.'

Note: This Resolution will be decided as if it were an ordinary (majority) resolution, but under section 250R(3) of the Corporations Act, the vote is advisory only and does not bind the Directors or Megaport. Votes must not be cast on this Resolution in any capacity by Key Management Personnel or their Closely Related Parties. Please refer to the voting restriction statement for this Resolution on page 7 of this Notice of Meeting.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 1.

Election of Mr Michael Klayko as a Director

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

- 2 'That Mr Michael Klayko, being a Director who retires in accordance with rule 19.2(b) of Megaport's Constitution and ASX Listing Rule 14.4 and, being eligible, be elected as a Director of Megaport.'

Note: Information about the above candidate appears in the Explanatory Memorandum.

The Directors (with Mr Klayko abstaining) recommend that you vote in favour of Resolution 2.

Election of Ms Melinda Snowden as a Director

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

- 3 'That Ms Melinda Snowden, being a Director who retires in accordance with rule 19.2(b) of Megaport's Constitution and ASX Listing Rule 14.4 and, being eligible, be elected as a Director of Megaport.'

Note: Information about the above candidate appears in the Explanatory Memorandum.

The Directors (with Ms Snowden abstaining) recommend that you vote in favour of Resolution 3.

Election of Ms Glo Gordon as a Director

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

- 4 'That Ms Glo Gordon, being a Director who retires in accordance with rule 19.2(b) of Megaport's Constitution and ASX Listing Rule 14.4 and, being eligible, be elected as a Director of Megaport.'

Note: Information about the above candidate appears in the Explanatory Memorandum.

The Directors (with Ms Gordon abstaining) recommend that you vote in favour of Resolution 4.

SPECIAL BUSINESS

Approval of the Employee Share Plan (ESP)

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

- 5 'That, for the purposes of ASX Listing Rule 7.2 (Exception 13) and all other purposes, issues of equity securities under the ESP, the details of which are set out in the Explanatory Memorandum, be approved as an exception to ASX Listing Rule 7.1.'

Note: Information about this Resolution appears in the Explanatory Memorandum. A summary of the terms of the ESP is set out in Annexure A.

The Directors unanimously recommend that you vote in favour of Resolution 5.

Approval of the Employee Share Option Plan General (ESOP General)

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

- 6 'That, for the purposes of ASX Listing Rule 7.2 (Exception 13) and all other purposes, issues of equity securities under the ESOP General, the details of which are set out in the Explanatory Memorandum, be approved as an exception to ASX Listing Rule 7.1.'

Note: Information about this Resolution appears in the Explanatory Memorandum. A summary of the terms of the ESOP General is set out in Annexure B.

The Directors unanimously recommend that you vote in favour of Resolution 6.

Grant of Options to Mr Michael Klayko

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

- 7 '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 8 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 abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 7.

Grant of Options to Ms Melinda Snowden

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

- 8 '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 page 8 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 abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 8.

Grant of Options to Ms Glo Gordon

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

- 9 '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 9 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 abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 9.

Increase to non-executive Director fee pool

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

- 10 'That, for the purposes of ASX Listing Rule 10.17, rule 19.5(a) of Megaport's Constitution and all other purposes, the maximum aggregate amount of directors' fees that may be paid to Megaport's non-executive Directors per annum as remuneration for their services be increased by \$500,000, from \$1,000,000 per annum to \$1,500,000 per annum.'

Note: The Directors and their Associates are restricted from voting on this Resolution. Please refer to the voting restriction statement for this Resolution on page 9 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 abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 10.

Amendment to Constitution

To consider and, if in favour, to pass the following Resolution as a special resolution:

- 11 'That, for the purposes of section 136(2) of the Corporations Act and all other purposes, Megaport's Constitution be amended in the manner set out in the Explanatory Memorandum, effective on the day on which this Resolution is passed.'

Note: This Resolution must be approved by at least 75% of the votes cast by shareholders entitled to vote on this Resolution.

The Directors unanimously recommend that you vote in favour of Resolution 11.

Renewal of proportional takeover approval provisions

To consider and, if in favour, to pass the following Resolution as a special resolution:

- 12 'That the proportional takeover approval provisions contained in rule 15 of Megaport's Constitution be granted effect for a further three years effective on the day on which this Resolution is passed.'

Note: This Resolution must be approved by at least 75% of the votes cast by shareholders entitled to vote on this Resolution.

The Directors unanimously recommend that you vote in favour of Resolution 12.

By order of the Board



Celia Pheasant
Company Secretary
20 September 2021

Notes

- (a) A shareholder who is entitled to attend and cast a vote at the Annual 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/.
- (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 Annual 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 Annual 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 Annual 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 Annual 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 Annual 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 Annual 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, 20 October 2021.
- (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 – Directors' Remuneration Report

For the purposes of the Corporations Act, Megaport will disregard votes cast on Resolution 1 (in any capacity) by or on behalf of a member of the KMP details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member. However, members of the KMP details of whose remuneration are included in the Remuneration Report and their Closely Related Parties may cast a vote on Resolution 1 as proxy if the vote is not cast on their behalf and either:

- (a) the proxy appointment is in writing and specifies the way the proxy is to vote on Resolution 1; or
- (b) the vote is cast by the Chairman of the Annual General Meeting and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on Resolution 1; and
 - (ii) expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the KMP.

If you are a member of the KMP or a Closely Related Party of a member of KMP (or acting on behalf of such a person) and purport to cast a vote on Resolution 1 that will be disregarded by Megaport, you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

Resolution 5 – Approval of the ESP

In accordance with ASX Listing Rule 14.11, Megaport will disregard any votes cast in favour of Resolution 5 by or on behalf of any person who is eligible to participate in the ESP or any Associate of any such person.

However, Megaport need not disregard a vote cast in favour of Resolution 5 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with directions given to the proxy or attorney to vote on Resolution 5 in that way; or
- (a) the Chairman of the Annual General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the Chairman to vote on Resolution 5 as the Chairman decides; or
- (b) 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 5; and
 - (ii) the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6 – Approval of the ESOP General

In accordance with ASX Listing Rule 14.11, Megaport will disregard any votes cast in favour of Resolution 6 by or on behalf of any person 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 6 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with directions given to the proxy or attorney to vote on Resolution 6 in that way; or
- (b) the Chairman of the Annual General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with a direction given to the Chairman to vote on Resolution 6 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 6; and
 - (ii) the holder votes on Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7 – 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 7 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 7 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with directions given to the proxy or attorney to vote on Resolution 7 in that way; or
- (b) the Chairman of the Annual General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with a direction given to the Chairman to vote on Resolution 7 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 7; and
 - (ii) the holder votes on Resolution 7 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 7 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 7 if the votes are cast by the Chairman of the Annual 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 8 – 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 8 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 8 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 8, in accordance with directions given to the proxy or attorney to vote on Resolution 8 in that way; or
- (b) the Chairman of the Annual General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 8, in accordance with a direction given to the Chairman to vote on Resolution 8 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 8; and
 - (ii) the holder votes on Resolution 8 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 8 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 8 if the votes are cast by the Chairman of the Annual 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 9 – 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 9 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 9 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 9, in accordance with directions given to the proxy or attorney to vote on Resolution 9 in that way; or
- (b) the Chairman of the Annual General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 9, in accordance with a direction given to the Chairman to vote on Resolution 9 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 9; and
 - (ii) the holder votes on Resolution 9 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 9 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 9 if the votes are cast by the Chairman of the Annual 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 10 – Increase to non-executive Director fee pool

In accordance with ASX Listing Rule 14.11, Megaport will disregard any votes cast in favour of Resolution 10 by or on behalf of a Director or any Associate of any such person.

However, Megaport need not disregard a vote cast in favour of Resolution 10 if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 10, in accordance with directions given to the proxy or attorney to vote on Resolution 10 in that way; or
- (b) the Chairman of the Annual General Meeting as proxy or attorney for a person who is entitled to vote on Resolution 10, in accordance with a direction given to the Chairman to vote on Resolution 10 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 10; and
 - (ii) the holder votes on Resolution 10 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 10 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 10 if the votes are cast by the Chairman of the Annual 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 Annual General Meeting intends to vote all undirected proxies in favour of each item of business.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum accompanies the Notice of Annual General Meeting of Megaport Limited (**Megaport**) to be held online at <http://web.lumiagm.com/309489272> on Friday, 22 October 2021 at 10.00am (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.

Financial statements and reports

- 1 The Corporations Act requires that the Directors' report, the auditor's report, and the financial report be laid before the Annual General Meeting.
- 2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor Megaport's Constitution requires a vote of shareholders at the Annual General Meeting on the financial statements and reports.
- 3 Shareholders will be given reasonable opportunity at the Annual General Meeting to raise questions and make comments on these reports. In addition to asking questions at the Annual General Meeting, shareholders may address written questions to the Chairman about the management of Megaport or to Megaport's auditor, Deloitte Touche Tohmatsu, if the question is relevant to:
 - (a) the content of the auditor's report to be considered at the Annual General Meeting; or
 - (b) the conduct of the audit of the annual financial report to be considered at the Annual General Meeting.
- 4 Under section 250PA(1) of the Corporations Act, written questions for Deloitte Touche Tohmatsu must be delivered by 5.00pm (Brisbane time) on Friday, 15 October 2021 to:

Company Secretary
Level 3, 825 Ann Street
FORTITUDE VALLEY QLD 4006,

or via email to: investor@megaport.com.
- 5 The Directors' report, the auditor's report, and the financial report are available at www.investorvote.com.au/ and on Megaport's website at www.megaport.com/investor/agm/.

Resolution 1: Remuneration Report

- 6 Under the Corporations Act, Megaport is required to include in the business of its Annual General Meeting a resolution that its Remuneration Report for the 2020-2021 financial year be adopted. The resolution of shareholders is advisory only and does not bind the Directors or Megaport.
- 7 The Remuneration Report is contained in the Directors' report included in Megaport's 2021 annual report and:
 - (a) sets out the principles used to determine the nature and amount of remuneration of the Board and senior management;
 - (b) includes details of remuneration for Directors and senior management; and
 - (c) makes clear that the basis for remunerating non-executive Directors is distinct from the basis for remunerating executives, including executive Directors.
- 8 The Chairman will give shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

Directors' recommendation

- 9 As the Resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, abstains from making a recommendation regarding this Resolution.

Note: If you appoint the Chairman as your proxy, and you do not provide voting directions, the Chairman is entitled to cast your vote in accordance with his stated intentions, even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP. The Chairman intends to vote all available proxies in favour of this Resolution.

If you appoint another Director or member of the KMP as your proxy for this Resolution, you MUST direct your proxy how to vote, or otherwise your vote will not be counted. Follow the instructions on the proxy form or online platform to direct your proxy how to vote.

Resolution 2: Election of Mr Michael Klayko as a Director

- 10 Mr Michael Klayko was appointed by the Board, effective 16 March 2021, under rule 19.2(a) of Megaport's Constitution. Rule 19.2(a) of Megaport's Constitution states that the Directors may appoint any individual to be a director of Megaport, either as an addition to the existing Directors or to fill a casual vacancy. However, rule 19.2(b) of Megaport's Constitution states that a director of Megaport so appointed (and who is not a managing director) holds office only until the conclusion of the next annual general meeting following his or her appointment. ASX Listing Rule 14.4 also states that a director appointed to fill a casual vacancy, or as an addition to the board of directors, must not hold office (without re-election) past the next annual general meeting of the company in question. As such, Mr Klayko, being eligible, stands for election as a director of Megaport.
- 11 Mr Klayko has over 40 years of experience in the data storage, computer, technology and telecommunications industries. During his tenure as CEO of Brocade, he grew the company revenues from less than US\$500 million to over US\$2.2 billion. Additionally, he has held leadership and executive positions at leading technology companies including Rhapsody Networks, McDATA Corporation, EMC Corporation, Hewlett Packard, and IBM.
- 12 Mr Klayko brings a comprehensive understanding of the technology and network solutions industry coupled with extensive experience as a director of other publicly listed technology companies. He is Managing Partner of MKA Capital, an investment company focusing on technology investments, and is an Operating Executive at Marlin Equity Partners, a global investment firm. Currently Mr Klayko serves as the Chairman of the board of directors of Allscripts Healthcare (NASDAQ: MDRX), Virgin Pulse and Star Compliance, and is a board member of TIBCO.
- 13 Megaport conducted appropriate checks into Mr Klayko's background and experience prior to his appointment to the Board on 16 March 2021. The Directors are not aware of any interest, position or relationship that might influence, in a material respect, Mr Klayko's capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of Megaport as a whole. The Directors (other than Mr Klayko) consider that Mr Klayko will, if elected, qualify as an independent director.

Directors' recommendation

- 14 The Directors (with Mr Klayko abstaining) recommend the election of Mr Klayko to the Board.

Resolution 3: Election of Ms Melinda Snowden as a Director

- 15 Ms Melinda Snowden was appointed by the Board, effective 1 June 2021, under rule 19.2(a) of Megaport's Constitution. Rule 19.2(a) of Megaport's Constitution states that the Directors may appoint any individual to be a director of Megaport, either as an addition to the existing Directors or to fill a casual vacancy. However, rule 19.2(b) of Megaport's Constitution states that a director of Megaport so appointed (and who is not a managing director) holds office only until the conclusion of the next annual general meeting following his or her appointment. ASX Listing Rule 14.4 also states that a director appointed to fill a casual vacancy, or as an addition to the board of directors, must not hold office (without re-election) past the next annual general meeting of the company in question. As such, Ms Snowden, being eligible, stands for election as a director of Megaport.
- 16 Ms Snowden has 27 years of experience in finance and has been a professional non-executive director since 2010 in a broad range of industries. Ms Snowden is currently a non-executive director and Chair of the Audit and Risk Committee of ASX listed companies WAM Leaders, Sandon Capital Investments and Best & Less Group Holdings. Ms Snowden is also currently a non-executive director of Newmark REIT Management and Our Ark Mutual, and an advisory board member of Yarno, a SaaS compliance and education provider.

- 17 Ms Snowden has held previous non-executive director roles at MLC, Vita Group, Mercer Investments (Australia), and Kennards Self Storage. Prior to her non-executive director career, she held investment banking roles with Grant Samuel, Merrill Lynch, and Goldman Sachs and was a solicitor in the corporate practice group of Herbert Smith Freehills.
- 18 Ms Snowden holds a Bachelor of Economics and Laws from the University of Sydney and is a graduate member of the Australian Institute of Company Directors.
- 19 Megaport conducted appropriate checks into Ms Snowden's background and experience prior to her appointment to the Board on 1 June 2021. The Directors are not aware of any interest, position or relationship that might influence, in a material respect, Ms Snowden's capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of Megaport as a whole. The Directors (other than Ms Snowden) consider that Ms Snowden will, if elected, qualify as an independent director.

Directors' recommendation

- 20 The Directors (with Ms Snowden abstaining) recommend the election of Ms Snowden to the Board.

Resolution 4: Election of Ms Glo Gordon as a Director

- 21 Ms Glo Gordon was appointed by the Board, effective 1 July 2021, under rule 19.2(a) of Megaport's Constitution. Rule 19.2(a) of Megaport's Constitution states that the Directors may appoint any individual to be a director of Megaport, either as an addition to the existing Directors or to fill a casual vacancy. However, rule 19.2(b) of Megaport's Constitution states that a director of Megaport so appointed (and who is not a managing director) holds office only until the conclusion of the next annual general meeting following his or her appointment. ASX Listing Rule 14.4 also states that a director appointed to fill a casual vacancy, or as an addition to the board of directors, must not hold office (without re-election) past the next annual general meeting of the company in question. As such, Ms Gordon, being eligible, stands for election as a director of Megaport.
- 22 Ms Gordon has more than 20 years of experience as a senior global executive in business operations, strategy and sales at large technology companies including Cisco, Oracle, SAP, and Xerox. She is currently the CEO and a board member of MATRIX, a leading 5G digital commerce company in Silicon Valley.
- 23 In 2014, Ms Gordon became the Chief Revenue Officer, responsible for sales, marketing and customer success for Jasper, a Silicon Valley IOT start-up which was acquired in 2016 by Cisco for US\$1.4 billion. At Cisco, as Vice President and General Manager, IoT, Sales and Marketing, Ms Gordon held P&L responsibility for growth and margin for Cisco's Strategic IoT business unit. Prior to Jasper, Ms Gordon was with Oracle for 10 years and her last role was Group Vice President, Worldwide BSS/OSS applications sales, contributing double digit growth in recurring revenue for Oracle's Communications Business Unit for Telcos and Enterprise.
- 24 More recently, Ms Gordon was Chief Revenue Officer at Uptake, an emerging leader in artificial intelligence, machine learning, and predictive analytics.
- 25 Ms Gordon holds a Bachelor of Arts from the University of California at Santa Barbara.
- 26 Megaport conducted appropriate checks into Ms Gordon's background and experience prior to her appointment to the Board on 1 July 2021. The Directors are not aware of any interest, position or relationship that might influence, in a material respect, Ms Gordon's capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of Megaport as a whole. The Directors (other than Ms Gordon) consider that Ms Gordon will, if elected, qualify as an independent director.

Directors' recommendation

- 27 The Directors (with Ms Gordon abstaining) recommend the election of Ms Gordon to the Board.

Resolution 5: Approval of the ESP

- 28 Resolution 5 seeks shareholder approval of the ESP for the purposes of ASX Listing Rule 7.2 (Exception 13). The ESP was last approved by shareholders at Megaport's 2018 annual general meeting.
- 29 The ESP was established by Megaport to offer eligible participants across Megaport's business the opportunity to become shareholders of Megaport and enhance employee engagement by aligning employees' interests with Megaport's performance and the interests of shareholders.

30 Megaport Shares to be allocated under the ESP may be acquired through on-market acquisitions on ASX, or otherwise satisfied by new issues of Megaport Shares by Megaport.

31 A summary of the terms of the ESP is set out in Annexure A.

ASX Listing Rule 7.2 (Exception 13)

32 ASX Listing Rule 7.1 provides that (subject to certain exceptions) prior approval of shareholders is required for an issue of equity securities if the equity securities will, when aggregated with the equity securities issued by Megaport during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period (**15% Rule**).

33 Under ASX Listing Rule 7.2 (Exception 13), shareholders may approve issues of equity securities under an employee incentive scheme as an exception to the 15% Rule. This means that equity securities issued under such an employee incentive scheme are not considered for the purposes of calculating the capacity of Megaport to issue equity securities under ASX Listing Rule 7.1. This approval continues for three years, at which time it must be renewed, or it will expire. It is only available if and to the extent that the number of equity securities issued by Megaport under the ESP does not exceed the maximum number of equity securities set out at paragraph 37 below, and will cease to be available if there is a material change to the terms of the ESP from those summarised in Annexure A.

34 If this Resolution is passed, Megaport can issue equity securities under the ESP without such issues counting towards the 15% Rule. If this Resolution is not passed, issues of equity securities under the ESP may be made, but must fall within and be permitted by the 15% Rule at the time of issue.

35 Whether or not this Resolution is passed, Megaport may, in accordance with ASX Listing Rule 7.2 (Exception 15) acquire Megaport Shares on-market to satisfy the allocation of Megaport Shares under the ESP without shareholder approval. By seeking shareholder approval in respect of this Resolution 5, however, Megaport is seeking flexibility in being able to satisfy, at its discretion, an allocation of Megaport Shares under the ESP by either, or a mixture of, on-market acquisitions on ASX and new issues of Megaport Shares, depending on what may be in the best interests of Megaport at the relevant time.

Securities issued under the ESP

36 As noted above, the ESP was last approved by shareholders at Megaport's 2018 annual general meeting. Since the ESP was last approved on 23 November 2018, 63,911 Megaport Shares have been issued under the ESP.

37 Subject to the passing of this Resolution 5, a maximum number of 1,266,598 equity securities are proposed to be issued by Megaport under the ESP in the following three year period.

Directors' recommendation

38 The Directors unanimously recommend that you vote in favour of Resolution 5.

Resolution 6: Approval of the ESOP General

39 Resolution 6 seeks shareholder approval of the ESOP General for the purposes of ASX Listing Rule 7.2 (Exception 13). The ESOP General was established prior to Megaport's listing on ASX in December 2015, and was last approved by shareholders at Megaport's 2018 annual general meeting.

40 The ESOP General is designed to focus executives on delivering long-term shareholder returns and retain key employees of Megaport for the long-term. For some eligible participants, the Options granted under the ESOP General will vest if they meet specific performance targets. For the remaining participants, the Options granted under the ESOP General will vest if the eligible participant meets a length of service requirement.

41 Megaport Shares to be allocated under the ESOP General may be acquired through on-market acquisitions on ASX, or otherwise satisfied by new issues of Megaport Shares by Megaport.

42 A summary of the terms of the ESOP General is set out in Annexure B.

ASX Listing Rule 7.2 (Exception 13)

43 ASX Listing Rule 7.1 provides that (subject to certain exceptions) prior approval of shareholders is required for an issue of equity securities if the equity securities will, when aggregated with the equity securities issued

by Megaport during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period (**15% Rule**).

- 44 Under ASX Listing Rule 7.2 (Exception 13), shareholders may approve issues of equity securities under an employee incentive scheme as an exception to the 15% Rule. This means that equity securities issued under such an employee incentive scheme are not considered for the purposes of calculating the capacity of Megaport to issue equity securities under ASX Listing Rule 7.1. This approval continues for three years, at which time it must be renewed, or it will expire. It is only available if and to the extent that the number of equity securities issued by Megaport under the ESOP General does not exceed the maximum number of equity securities set out at paragraph 48 below, and will cease to be available if there is a material change to the terms of the ESOP General from those summarised in Annexure B.
- 45 If this Resolution is passed, Megaport can issue equity securities under the ESOP General without such issues counting towards the 15% Rule. If this Resolution is not passed, issues of equity securities under the ESOP General may be made, but must fall within and be permitted by the 15% Rule at the time of issue.
- 46 Whether or not this Resolution is passed, Megaport may, in accordance with ASX Listing Rule 7.2 (Exception 15) acquire Megaport Shares on-market to satisfy the allocation of Megaport Shares under the ESOP General without shareholder approval. By seeking shareholder approval in respect of this Resolution 6, however, Megaport is seeking flexibility in being able to satisfy, at its discretion, an allocation of Megaport Shares under the ESOP General by either, or a mixture of, on-market acquisitions on ASX and new issues of Megaport Shares, depending on what may be in the best interests of Megaport at the relevant time.

Securities issued under the ESOP General

- 47 As noted above, the ESOP General was established in 2015 and was last approved by shareholders at Megaport's 2018 annual general meeting. Since the ESOP General was last approved on 23 November 2018 and as at 8 September 2021, 6,238,333 Options have been granted under the ESOP General and 8,808,333 Megaport Shares have been issued on exercise of Options. As at 8 September 2021, Megaport had 2,843,335 Options on issue to participants under the ESOP General.
- 48 Subject to the passing of this Resolution 6, a maximum number of 3,443,335 equity securities are proposed to be issued by Megaport under the ESOP General in the following three year period.

Directors' recommendation

- 49 The Directors unanimously recommend that you vote in favour of Resolution 6.

Resolution 7: Grant of Options to Mr Michael Klayko

- 50 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 (First Tranche Vesting Date)	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 (Second Tranche Vesting Date)	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.

- 51 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 Mr Klayko's appointment as a Director (being \$11.78); 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).

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

ASX Listing Rule 10.14

53 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.

54 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.

55 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.

56 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:

Name of person to be granted the Options	Mr Michael Klayko
Category in ASX Listing Rule 10.14	Mr Klayko is a Director of Megaport for the purposes of ASX Listing Rule 10.14.1
Number of Options to be granted	100,000 Options
Information required in accordance with ASX Listing Rules 10.15.4 and 10.15.5	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 www.investorvote.com.au/ and on Megaport's website at www.megaport.com/investor/agm/ . Mr Klayko has not previously been granted any Options under the ESOP General.
Material terms of the Options and other information required in accordance with ASX Listing Rule 10.15.6	Refer to paragraph 51 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 \$16.95, Megaport estimates an average fair value of \$6.82 per Option using the Black-Scholes pricing model.
Date Megaport will grant the Options	Assuming Resolution 7 is approved by shareholders, the Options are proposed to be granted shortly after the Annual General Meeting, but in any event no later than three years after the Annual General Meeting
Issue price	No amount is payable for the grant of the Options
Summary of material terms of the ESOP General	Refer to the summary of the terms and conditions of the ESOP General contained in Annexure B

57 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 7 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.

- 58 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

- 59 The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 7.

Resolution 8: Grant of Options to Ms Melinda Snowden

- 60 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 (First Tranche Vesting Date)	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 (Second Tranche Vesting Date)	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.

- 61 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 Snowden's appointment as a Director (being \$14.99); 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).
- 62 The Options are otherwise subject to the terms and conditions set out in the ESOP General, a summary of which is contained in Annexure B.

ASX Listing Rule 10.14

- 63 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.
- 64 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.
- 65 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.

- 66 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:

Name of person to be granted the Options	Ms Melinda Snowden
Category in ASX Listing Rule 10.14	Ms Snowden is a Director of Megaport for the purposes of ASX Listing Rule 10.14.1
Number of Options to be granted	100,000 Options
Information required in accordance with ASX Listing Rules 10.15.4 and 10.15.5	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 www.investorvote.com.au/ and on Megaport's website at www.megaport.com/investor/agm/ . Ms Snowden has not previously been granted any Options under the ESOP General.
Material terms of the Options and other information required in accordance with ASX Listing Rule 10.15.6	Refer to paragraph 61 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 \$16.95, Megaport estimates an average fair value of \$5.12 per Option using the Black-Scholes pricing model.
Date Megaport will grant the Options	Assuming Resolution 8 is approved by shareholders, the Options are proposed to be granted shortly after the Annual General Meeting, but in any event no later than three years after the Annual General Meeting
Issue price	No amount is payable for the grant of the Options
Summary of material terms of the ESOP General	Refer to the summary of the terms and conditions of the ESOP General contained in Annexure B

- 67 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 8 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.

- 68 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

- 69 The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 8.

Resolution 9: Grant of Options to Ms Glo Gordon

- 70 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	The Options do not have vesting conditions, disposal restrictions or other conditions attached to them.

Tranche	Number of Options	Vesting date	Conditions
		(First Tranche Vesting Date)	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 (Second Tranche Vesting Date)	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.

71 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).

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

ASX Listing Rule 10.14

73 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.

74 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.

75 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.

76 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:

Name of person to be granted the Options	Ms Glo Gordon
Category in ASX Listing Rule 10.14	Ms Gordon is a Director of Megaport for the purposes of ASX Listing Rule 10.14.1
Number of Options to be granted	100,000 Options
Information required in accordance with ASX Listing Rules 10.15.4 and 10.15.5	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.

Material terms of the Options and other information required in accordance with ASX Listing Rule 10.15.6	<p>Refer to paragraph 71 above.</p> <p>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 \$16.95, Megaport estimates an average fair value of \$3.77 per Option using the Black-Scholes pricing model. While the exercise price of the Options is higher than the spot price, the Options have a value greater than zero because the Black-Scholes pricing model takes into account (among other factors) the implied volatility of Megaport Shares and the Option vesting period. While the downside potential of the Options over the vesting period results in zero value, the upside potential results in an average fair value of \$3.77 per Option.</p>
Date Megaport will grant the Options	<p>Assuming Resolution 9 is approved by shareholders, the Options are proposed to be granted shortly after the Annual General Meeting, but in any event no later than three years after the Annual General Meeting</p>
Issue price	<p>No amount is payable for the grant of the Options</p>
Summary of material terms of the ESOP General	<p>Refer to the summary of the terms and conditions of the ESOP General contained in Annexure B</p>

77 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 9 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.

78 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

79 The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 9.

Resolution 10: Increase to non-executive Director fee pool

80 Rule 19.5(a) of Megaport's Constitution provides that each Director is entitled to remuneration from Megaport for his or her service as a Director as the Directors decide, but the total amount given to all Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Megaport in general meeting.

81 The aggregate amount approved by shareholders excludes remuneration paid to executive Directors.

82 ASX Listing Rule 10.17 provides that an entity must not increase the total aggregate amount of directors' fees payable to all of its non-executive directors without the approval of holders of its ordinary securities.

83 At present, the maximum aggregate amount of directors' fees that may be paid to the non-executive Directors of Megaport is \$1,000,000 per annum.

84 Resolution 10 seeks shareholder approval to increase this amount by \$500,000 to \$1,500,000 per annum for the following reasons:

- (a) the Board wishes to provide headroom and flexibility to allow for temporary fluctuations in the size of the Board, if and when appropriate, in its management of Board succession planning;
- (b) the Board wishes to provide headroom and flexibility to allow for additional committees or advisory boards, such as the Diversity and Inclusion Advisory Board; and
- (c) the Board wishes to allow for some future increases in fees to maintain market competitiveness and to reflect increasing demands on non-executive Directors.

85 In addition, the remuneration paid to non-executive Directors is reviewed regularly taking into account market benchmarks, the scope of non-executive Director responsibilities and the importance of the Board

continuing to attract appropriately skilled and experienced Directors, noting that the fees paid to non-executive Directors were last adjusted in July 2020.¹

- 86 Megaport discloses the annual fees paid to non-executive Directors in its annual Remuneration Report. The total aggregate value of remuneration provided to all non-executive Directors during the 2020-2021 financial year was \$575,166. With the addition of three non-executive Directors in 2021, the total aggregate value of remuneration payable to all non-executive Directors for the 2021-2022 financial year (assuming no changes are made to the Board and Board committee composition) will be \$930,000.

Fees payable to non-executive Directors for FY2020-2021

- 87 The annual fees payable to non-executive Directors and approved by the Board (inclusive of statutory superannuation) for the financial year ended 30 June 2021 are set out in the following table:

Role ⁽¹⁾	Chair	Member
Board	\$200,000	\$125,000
Audit and Risk Committee	\$15,000	\$10,000
Remuneration and Nomination Committee	\$15,000	\$10,000
Innovation Committee	\$15,000	\$10,000

Notes:

- (1) In addition to the fees noted above, non-executive Directors may also be paid fees for special duties.

- 88 Further detail regarding the remuneration of Megaport's non-executive Directors is set out in Megaport's FY2020-2021 Annual Report at pages 38 to 47 (a copy of which is available at www.investorvote.com.au/ and on Megaport's website at www.megaport.com/investor/agm/).

Securities issued to non-executive Directors in the last three years

- 89 The non-executive Directors of Megaport have been issued the following securities in Megaport under ASX Listing Rules 10.11 and 10.14 with the approval of Megaport's shareholders in the last three years:

Non-executive Director	Securities issued under ASX Listing Rules 10.11 and 10.14 in the last three years
Bevan Slattery	100,000 Options granted to Mr Slattery on 22 November 2019 following approval by shareholders at Megaport's 2019 annual general meeting
Jay Adelson	100,000 Options granted to Mr Adelson on 23 November 2019 following approval by shareholders at Megaport's 2019 annual general meeting 50,000 Megaport Shares issued to Mr Adelson on 19 March 2021 following the exercise of an equivalent number of Options
Naomi Seddon	100,000 Options granted to Ms Seddon on 23 November 2019 following approval by shareholders at Megaport's 2019 annual general meeting
Michael Klayko	Nil (excluding the 100,000 Options that will be granted to Mr Klayko if Resolution 7 is passed)
Melinda Snowden	Nil (excluding the 100,000 Options that will be granted to Ms Snowden if Resolution 8 is passed)
Glo Gordon	Nil (excluding the 100,000 Options that will be granted to Ms Gordon if Resolution 9 is passed)

- 90 If this Resolution is passed, the total aggregate amount of directors' fees available to remunerate Megaport's non-executive Directors per annum will be \$1,500,000. If this Resolution is not passed, the total aggregate amount of directors' fees payable to Megaport's non-executive Directors per annum will remain as \$1,000,000.

¹ The Australian superannuation guarantee will increase from 9.5% to 12%, in 0.5% increments, from 1 July 2021 to 1 July 2025 (each a "superannuation increase"). The cost of each superannuation increase will be absorbed by Megaport.

Directors' recommendation

- 91 As the Resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance, abstains from making a recommendation regarding this Resolution.

Resolution 11: Amendment to Constitution

- 92 Under section 136(2) of the Corporations Act, a company can modify or repeal its constitution or a provision of its constitution by special resolution of its shareholders. A special resolution is a resolution passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution.
- 93 This special resolution to amend the Constitution is proposed to ensure that Megaport can convene a physical general meeting that is linked to one or more separate meeting places, or a virtual general meeting, using technology.
- 94 A copy of the existing Constitution showing the proposed amendments is available at www.investorvote.com.au/ and on Megaport's website at www.megaport.com/investor/agm/. A printed copy of the existing Constitution showing the proposed amendments can be obtained by contacting Celia Pheasant (Company Secretary) on +61 408 841 185 during business hours.
- 95 The existing Constitution contemplates that any general meeting will be held at a physical meeting place, with the potential to link a separate meeting place to the main meeting place by an instantaneous audio-visual communication device, but does not contemplate the holding of a general meeting at two or more places, or virtually, using one or more instantaneous audio-visual communication devices or audio and visual or virtual communication technology.
- 96 During the course of the current COVID-19 pandemic, Megaport has taken advantage of various legislative and other measures (including ASIC's no action position) to allow companies to hold general meetings virtually using technology. Such measures are, however, temporary. The proposed amendments to the Constitution will enable Megaport to continue to hold general meetings using technology, either physical, hybrid, or virtual, after such measures have lapsed.
- 97 The proposed amendments to the Constitution have the effect of:
- (a) enabling Megaport to hold a physical general meeting that is linked to one or more other separate meeting places by one or more instantaneous audio-visual communication devices which, amongst other things, give the general body of shareholders in the separate meeting place(s) a reasonable opportunity to participate;
 - (b) unless the law requires otherwise, enabling Megaport to hold a virtual general meeting without there being a physical meeting place by using any technology, including by one or more instantaneous audio-visual communication devices or audio and visual or virtual communication technology, on the basis that, amongst other things, the shareholders participating are given a reasonable opportunity to participate;
 - (c) if a physical general meeting is to be held and linked to one or more separate meeting places by technology, or a virtual general meeting is to be held, requiring that the relevant notice of meeting includes details of the technology that will be used to facilitate the holding of the relevant general meeting in that manner;
 - (d) deeming a person (including a shareholder) to be present at or attending a general meeting where a person (including a shareholder) is present or attending in person, using any technology (including via one or more instantaneous audio-visual communication devices or audio and visual or virtual communication technology), or by proxy, attorney or body corporate representative; and
 - (e) permitting a notice of general meeting and instrument of proxy to be provided to shareholders using one or more technologies to communicate the contents, or using one or more technologies to communicate details of an online location where they can be viewed or downloaded.
- 98 The Board considers that the proposed amendments to the Constitution are in the best interests of shareholders.

Directors' recommendation

- 99 The Directors unanimously recommend that you vote in favour of Resolution 11.

Resolution 12: Renewal of proportional takeover approval provisions

- 100 Megaport's Constitution contains provisions dealing with proportional takeover bids for Megaport Shares in accordance with the Corporations Act. The current provisions, which are set out in rule 15 of Megaport's Constitution, are designed to assist shareholders to receive proper value for their Megaport Shares if a proportional takeover bid is made for Megaport.
- 101 Under the Corporations Act, these provisions must be renewed every three years or they will cease to have effect. The current provisions were last renewed by Megaport at its 2018 annual general meeting. If this Resolution is approved by shareholders, the proposed proportional takeover provisions will be renewed on exactly the same terms as the existing provisions in rule 15 of Megaport's Constitution and will have effect for a further three year period from the date of the Annual General Meeting.
- 102 Rule 15 of Megaport's Constitution is set out in Annexure C.

What is a proportional takeover bid?

- 103 A proportional takeover bid is a takeover offer made to all shareholders for the acquisition of their Megaport Shares, however the offer made to each shareholder is only for a specified proportion of that shareholder's Megaport Shares (and that proportion is the same for all shareholders). Accordingly, if a shareholder accepts in full the offer under a proportional takeover bid, the shareholder will dispose of the specified portion of their Megaport Shares and retain the balance of their Megaport Shares.

Effect of the proportional takeover approval provisions

- 104 If renewed, under existing rule 15 of Megaport's Constitution, and if a proportional takeover offer is made to shareholders of Megaport, the Board is required to convene a meeting of shareholders to vote on a resolution to approve the proportional takeover. That meeting must be held at least 14 days before the offer under the proportional takeover bid closes.
- 105 The resolution is taken to have been passed if a majority of securities voted at the meeting, excluding the securities of the bidder and its associates, vote in favour of the resolution. If no resolution is voted on at least 14 days before the close of the offer, the resolution is deemed to have been passed. Where the resolution approving the offer is passed or deemed to have been passed, transfers of securities resulting from accepting the offer are registered provided they otherwise comply with the Corporations Act, the ASX Listing Rules and Megaport's Constitution. If the resolution is rejected, then under the Corporations Act, the offer is deemed to be withdrawn.
- 106 The proportional takeover approval provisions do not apply to full takeover bids, and only apply for three years after the date they are approved by shareholders. The provisions may be refreshed for a further three-year period, but only by a special resolution passed by shareholders.

Reasons for proposing this Resolution

- 107 The Directors consider that shareholders should have the opportunity to renew rule 15 in Megaport's Constitution. Without rule 15 of Megaport's Constitution, a proportional takeover bid for Megaport may enable effective control of Megaport to be acquired without shareholders having the opportunity to dispose of their securities to the bidder. Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for their securities whilst leaving themselves as part of a minority interest in Megaport.
- 108 Without rule 15 of Megaport's Constitution, if there was a proportional takeover bid and shareholders considered that control of Megaport was likely to pass, shareholders would be placed under pressure to accept the offer even if they did not want control of Megaport to pass to the bidder.
- 109 Renewing rule 15 of Megaport's Constitution will make this situation less likely by permitting shareholders to decide whether a proportional takeover bid should be permitted to proceed.

Potential advantages and disadvantages

- 110 The renewal of rule 15 of Megaport's Constitution will enable the Directors to formally ascertain the views of shareholders about a proportional takeover bid. Without these provisions, the Directors are dependent upon their perception of the interests and views of shareholders. Other than this advantage, the Directors consider that renewal of rule 15 of Megaport's Constitution has no potential advantages or potential disadvantages for them, as they remain free to make a recommendation on whether a proportional takeover offer should be accepted.
- 111 The Directors consider that renewing rule 15 of Megaport's Constitution benefits all shareholders in that they will have an opportunity to consider a proportional takeover bid and then attend or be represented by proxy

at a meeting of shareholders called specifically to vote on the proposal. Accordingly, shareholders are able to prevent a proportional takeover bid proceeding if there is sufficient support for the proposition that control of Megaport should not be permitted to pass under the proportional takeover bid. Furthermore, knowing the view of shareholders assists each individual shareholder to assess the likely outcome of the proportional takeover bid and whether to accept or reject that bid.

- 112 As to the possible disadvantages to shareholders renewing rule 15 of Megaport's Constitution, it may be argued that the proposal makes a proportional takeover bid more difficult and that proportional takeover bids will therefore be discouraged. This may reduce the opportunities which shareholders may have to sell all or some of their securities at a premium to persons seeking control of Megaport and may reduce any takeover speculation element in the Megaport Share price. Rule 15 of Megaport's Constitution may also be considered an additional restriction on the ability of individual shareholders to deal freely on their securities.
- 113 The Directors consider that there are no other advantages and disadvantages for Directors and shareholders which arose during the period during which the proportional takeover approval provisions have been in effect, other than those discussed in this section.
- 114 On balance, the Board considers that the potential advantages for shareholders of the proportional takeover approval provisions outweigh the potential disadvantages. No knowledge of present acquisition proposals
- 115 As at the date of this Explanatory Memorandum, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in Megaport.

Directors' recommendation

- 116 The Directors unanimously recommend that you vote in favour of Resolution 12.

GLOSSARY

Annual General Meeting or Meeting or AGM

means Megaport's 2021 annual general meeting the subject of this Notice of Meeting

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 B

ESP

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

Explanatory Memorandum

means the explanatory memorandum attached to the 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 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

Remuneration Report

means the section of the Directors' report for the 2020-2021 financial year that is included under section 300A(1) of the Corporations Act

VWAP

means volume weighted average price

ANNEXURE A

Summary of the terms of the ESP

Eligibility

The ESP is open to eligible participants (including employees, executives, Directors, consultants and contractors) of Megaport or any one of its subsidiaries who the Board designates as being eligible.

The Board may invite eligible employees to subscribe for or acquire Megaport Shares on such terms and conditions as the Board may determine.

Issue of Megaport Shares

The Board may determine the number of Megaport Shares which the eligible employee may apply for under the ESP, as well as the amount payable (if any) per Megaport Share and any salary sacrifice arrangements and any other terms applicable to Megaport Shares allocated under the ESP.

Subject to the terms of the invitation, Megaport may issue new Megaport Shares or arrange a transfer or purchase of existing Megaport Shares.

Disposal restrictions

Megaport Shares may be subject to disposal restrictions or vesting conditions determined by the Board at the time of the invitation.

While disposal of the Megaport Shares allocated under the ESP are restricted, the relevant participant is entitled to receive all entitlements relating to those Megaport Shares.

Change of control

If there is a change of control of Megaport, the Board may in its discretion determine that the Megaport Shares allocated under the ESP are no longer subject to restriction.

Assignment

Unless the Board determines otherwise, a participant must not transfer or assign any of their rights in restricted Megaport Shares issued under the ESP.

Administration

The ESP will be managed by the Board which has the power to (amongst other things) amend the plan rules for the ESP and/or make and amend additional rules and terms and/or procedures for the operation, control and administration of the ESP and any matter incidental to the ESP. This will include the adoption of a sub-plan for participants in California to meet Californian securities law requirements. Such requirements include the incorporation of specific terms as set out in California Corporations Code Section 25102(o). This is necessary as in order for Megaport to provide Megaport Shares to participants in California under the ESP, there are certain Californian securities law requirements which must be met in order to qualify for an exemption from registration available for compensatory benefit plans.

ANNEXURE B

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.

ANNEXURE C

Rule 15 of Megaport's Constitution

15 Proportional takeover bids

15.1 Definitions

In this rule:

Term	Definition
Approving Resolution	means a resolution to approve the Proportional Takeover Bid passed in accordance with rule 15.3.
Approving Resolution Deadline	means the day that is 14 days before the last day of the bid period, during which the offers under the Proportional Takeover Bid remain open or a later day allowed by the Australian Securities and Investments Commission.
Proportional Takeover Bid	means a takeover bid that is made or purports to be made under section 618(1)(b) Corporations Act for securities included in a class of securities in the company.
Relevant Class	means the class of securities in the company in respect of which offers are made under the Proportional Takeover Bid.

15.2 Transfers not to be registered

Despite rules 12.2(c) and 12.3, a transfer giving effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover Bid must not be registered unless an Approving Resolution has been passed or is taken to have been passed under rule 15.3.

15.3 Approving Resolution

- (a) Where offers have been made under a Proportional Takeover Bid, the directors must, before the Approving Resolution Deadline:
 - (i) convene a meeting of the persons entitled to vote on the Approving Resolution for the purpose of approving the Proportional Takeover Bid; and
 - (ii) ensure that the resolution is voted on under rule 15.3.
- (b) The provisions of this constitution about general meetings apply, modified as the circumstances require, to a meeting that is convened under rule 15.3(a), as if that meeting were a general meeting of the company.
- (c) The bidder under a Proportional Takeover Bid and any associates of the bidder are not entitled to vote on the Approving Resolution and if they do vote, their votes must not be counted.
- (d) Subject to rule 15.3(c), a person who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held securities of the Relevant Class, is entitled to vote on the Approving Resolution for the Proportional Takeover Bid.
- (e) An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (f) If an Approving Resolution has not been voted on under rule 15.3 as at the end of the day before the Approving Resolution Deadline, an Approving Resolution is taken to have been passed under rule 15.3 on the Approving Resolution Deadline.

15.4 Sunset

Rules 15.1, 15.2 and 15.3 cease to have effect on the third anniversary of the later of the date of adoption or last renewal of rule 15 under the Corporations Act.