



THE CRITICAL COMMUNICATIONS COMPANY

# NOTICE OF ANNUAL GENERAL MEETING

Speedcast International Limited

**TAKE NOTICE** that the Annual General Meeting of Shareholders of the Company will be held at the time, date and place specified below:

Time : 2:00pm (AEST)

Date : Monday, 20 May 2019

Place : Intercontinental Hotel,  
117 Macquarie Street, Sydney, NSW 2000

# AGENDA

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## Ordinary business

### Financial Statements and Reports

To receive the Financial Statements, Directors' Report and Auditor's Report for the Company and its controlled entities for the year ended 31 December 2018.

#### Resolution 1: Adoption of the Remuneration Report

To consider, and if thought fit, to pass the following as an ordinary resolution:

*"That the Company adopt the Remuneration Report for the year ended 31 December 2018 in accordance with section 250R(2) of the Corporations Act."*

While noting that each Director has a personal interest in their remuneration, as described in the Remuneration Report, the Board unanimously recommends that shareholders vote in favour of adopting the Remuneration Report.

**Note:** In accordance with section 250R(3) of the Corporations Act, this resolution is advisory only and does not bind the Company or the Directors.

**Voting exclusion:** The Company will disregard any votes cast on this resolution by certain persons, in accordance with the voting exclusions as set out in the Explanatory Memorandum.

#### Resolution 2: Re-election of Director – Mr. Peter Jackson

To consider, and if thought fit, to pass the following as an ordinary resolution:

*"That, Mr. Peter Jackson, being a Director, who retires by rotation in accordance with clause 8.1(d) of the Company's Constitution and ASX Listing Rule 14.4 and being eligible, be re-elected as a Director of the Company."*

The non-candidate Directors unanimously support the re-election of Mr. Peter Jackson, and recommend that shareholders vote in favour of this resolution.

#### Resolution 3: Approval of Long Term Incentive Plan Issue to CEO

To consider, and if thought fit, to pass the following as an ordinary resolution:

*"That approval is given for all purposes, including ASX Listing Rule 10.14, for the grant of 430,824 performance rights to Mr. Pierre-Jean Beylier (the Managing Director and Chief Executive Officer of the Company), under the Speedcast Long Term Incentive Plan, on the terms set out in the Explanatory Memorandum accompanying the Notice of Meeting."*

The Board (with Mr. Pierre-Jean Beylier abstaining) unanimously recommends that shareholders vote in favour of this resolution.

**Voting exclusion:** The Company will disregard any votes cast on this resolution by certain persons, in accordance with the voting exclusions as set out in the Explanatory Memorandum.

#### Resolution 4: Approval of Long Term Incentive Plan

To consider, and if thought fit, to pass the following as an ordinary resolution:

*"That, for the purposes of Listing Rule 7.2 Exception 9(b) and for all other purposes Shareholders approve the issue of securities under the Long Term Incentive Plan for a period of three years commencing on the date of this Meeting on the terms set out in the Explanatory Memorandum."*

The Board unanimously recommends that shareholders vote in favour of this resolution.

**Voting exclusion:** The Company will disregard any votes cast on this resolution by certain persons in accordance with the voting exclusions as set out in the Explanatory Memorandum.

#### **Resolution 5: Approval of Potential Future Termination Benefits**

To consider, and if thought fit, to pass the following as an ordinary resolution:

*“ That approval is given for the purposes of sections 200B and 200E of the Corporations Act and for all other purposes to give benefits to Mr. Pierre-Jean Beylier (the Managing Director and Chief Executive Officer of the Company) and each other individual Key Management Personnel named in the section of the Explanatory Memorandum regarding this resolution, in connection with any future retirement of each individual from a managerial or executive office with the Company or a subsidiary of the Company, as described in the Explanatory Memorandum.”*

The Board (with Mr. Pierre-Jean Beylier abstaining) unanimously recommends that shareholders vote in favour of this resolution.

**Voting exclusion:** The Company will disregard any votes cast on this resolution by certain persons, in accordance with the voting exclusions as set out in the Explanatory Memorandum.

#### **Resolution 6: Approval of Non-executive Directors’ Remuneration**

To consider, and if thought fit, to pass the following as an ordinary resolution:

*“That, for the purposes of clause 8.3(a) of the Company’s Constitution and Listing Rule 10.17 and for all other purposes, effective from the close of the Meeting the total amount that may be paid in aggregate and in any one year by the Company to the non-executive Directors as remuneration for services be increased by US\$200,000, from US\$500,000 to US\$700,000.”*

Voting exclusion: The Company will disregard any votes cast on this resolution by certain persons, in accordance with the voting exclusions as set out in the Explanatory Memorandum.

#### **BY ORDER OF THE BOARD**



Dominic Gyngell  
General Counsel and Joint Company Secretary

16 April 2019

# EXPLANATORY MEMORANDUM

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This Explanatory Memorandum forms part of the Notice convening the Annual General Meeting the Company to be held at 2:00pm (AEST) on Monday, 20 May 2019 at Intercontinental Hotel, 117 Macquarie Street, Sydney, NSW 2000.

This Explanatory Memorandum is to assist Shareholders in understanding the background to, and the legal and other implications of, the Notice and the reasons for the proposed resolutions. Both documents should be read in their entirety and in conjunction with each other.

## Receipt and Consideration of Accounts and Report

The Corporations Act requires the Financial Report (which includes Financial Statements, Notes to the Financial Statements and Directors' Declaration), the Directors' Report and the Auditor's Report to be tabled at the Annual General Meeting. There is no requirement, either in the Corporations Act or the Constitution, for Shareholders to approve the Financial Report, Directors' Report or Auditor's Report. Shareholders will be given a reasonable opportunity to ask questions and make comments on these reports.

The 2018 Annual Report is available on the Company's website at [www.speedcast.com](http://www.speedcast.com).

## Resolution 1: Adoption of the Remuneration Report

Section 250R of the Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the directors of the company.

The Remuneration Report sets out the Company's remuneration arrangements for KMPs of the Company. The Remuneration Report is part of the 2018 Annual Report.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

## Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on a resolution to adopt the Remuneration Report are voted against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company at the second annual general meeting ("Spill Resolution").

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting ("Spill Meeting") within 90 days of the second annual general meeting. All of the Directors of the Company who were in office when the Directors' Report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the Managing Director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as Directors of the Company is approved by the Shareholders will be the Directors of the Company.

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

## Voting Restrictions

KMPs and their proxies and Closely Related Parties are restricted from voting on a resolution put to Shareholders that the Remuneration Report of the Company be adopted. KMPs are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

The Voting Restriction does not apply where:

- (a) The Chairman or any KMP is appointed in writing (by a Shareholder who is not a KMP or a Closely Related Party of a KMP) as a proxy with specific instructions on how to vote on a resolution to adopt the Remuneration Report of the Company; or
- (b) the Chairman is appointed in writing (by a Shareholder who is not a KMP or a Closely Related Party of a KMP) as a proxy with no specific instructions on how to vote on a non-binding shareholder vote on remuneration, where the Shareholder provides express authorisation for the Chairman to do so.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the resolutions of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act.

### **Resolution 2: Re-election of Director – Mr. Peter Jackson**

The Company's Constitution and ASX Listing Rule 14.4, provides that a Director must not hold office (without re-election) past the third annual general meeting following the Directors' appointment or three years, whichever is longer, excluding the Managing Director. Mr. Peter Jackson retires from office and, being eligible, wishes to stand for re-election in accordance with the Company's Constitution. Mr. Peter Jackson was appointed as a Director of the Company on 14 July 2014.

Mr. Jackson is currently Chair of the Nomination and Remuneration Committee. He has over 40 years' experience in the satellite and telecommunications sector and serves as a non-executive director to several Asian companies. More detailed information on Mr. Jackson can be found in the 2018 Annual Report.

Having had regard to the ASX Principles, the Board considers Mr. Jackson to be an Independent Non-Executive Director.

### **Resolution 3: Approval of Long Term Incentive Plan Issue to CEO**

Under ASX Listing Rule 10.14, shareholder approval is required for the issue of securities to directors under an employee incentive scheme. The purpose of Resolution 3 is to have shareholders approve the proposed grant of 430,824 performance rights under the LTIP ("Total LTIP Allocation") to the Company's Managing Director and CEO, Mr. Pierre-Jean Beylier with respect to the financial year ending 31 December 2019.

A performance right entitles the holder to acquire a share for nil consideration at the end of the performance period, subject to meeting specific performance conditions. The number of performance rights granted is based on a fixed percentage of the relevant participant's annual fixed remuneration. For 2019 the number of performance rights to be issued to Mr. Beylier has been determined by dividing 175% of his annual fixed remuneration by the volume weighted average share price of the Company for the 10-day period from 1 January 2019.

In 2019, the Company is proposing two material changes to previous CEO LTIP offers. The first is to remove the service element that has formed part of all previous plans. For the 2019 LTIP issue to Mr. Beylier, all performance rights will be subject to the Company achieving specific financial performance targets, and none will vest simply as a consequence of continued employment.

The second change is to introduce baseline and stretch targets for each performance component. Performance rights will only begin to vest if specific baseline targets are met. Additional performance rights will vest if the Company's performance exceeds those baseline targets, with a full vesting of the Total LTIP Allocation only made for exceptional performance significantly exceeding baseline targets. Performance rights granted to the CEO as part of the 2019 LTIP offer are divided into three separate components ("Performance Components"). Rights associated with these components will each vest separately based on achievement of the component's targets. The three components are:

1. TSR Component;
2. Organic Revenue Growth Component; and
3. EBIDTA to Cash Conversion Component.

The relevant performance period for all components of the 2019 LTIP will be 1 January 2019 to 31 December 2021 ("Performance Period").

#### **TSR Component**

The TSR Component of the scheme makes up 43% of the overall LTIP for the CEO.

The Board believes that the relative TSR measure against a comparator group comprising the S&P/ASX 200 Index ("the Index") is appropriate for measuring the long term performance of executives. This Index replaces the S&P/ASX Small Ordinaries Index which has been the comparator group for SDA equity incentive performance plans in previous years.

The number of rights that will vest at the end of the Performance Period will be calculated by measuring achievement against the TSR Component in accordance with the following sliding scale.

Speedcast TSR performance compared to Index	Percentage of TSR performance rights that vest
Below Index	0%
Equal to Index	25%
Index + 15%	50%
Index + 20%	75%
Index + 30%	100%

### Organic Revenue Growth Performance

In order to incentivise focus on underlying organic growth in the Company, the Board proposes to allocate 28.5% of the CEO LTIP to an Organic Revenue Growth Component ("ORG Component").

Organic growth will be determined by assessing audited underlying revenue growth in the Company achieved in aggregate over the Performance Period, when compared to the FY2018 results ("Organic Growth"). Organic Growth excludes the annual revenue (measured at the time of acquisition) of any business acquired by the Company during the Performance Period (including the acquisition of Globecomm Inc). Achievement against the ORG Component will be determined by the Board.

The number of rights that will vest at the end of the Performance Period will be calculated by measuring achievement against the ORG Component in accordance with the following sliding scale.

Speedcast Organic Growth	Percentage of OG performance rights that vest
<10%	0%
>10%	25%
>15%	50%
>20%	75%
>30%	100%

### EBITDA to Cash Conversion

28.5% of the Total LTIP Allocation will be linked to the success of the Company in increasing its operating cash flow over the Performance Period ("EBITDA to Cash Conversion Component").

EBITDA to Cash Conversion Component performance will be determined by establishing cash generated in Company operations over the entire Performance Period (adjusted for restructuring and integration), divided by underlying EBITDA over that period. This will be calculated consistent with the method used to report this metric in the past. Achievement against the EBITDA to Cash Conversion Component will be determined by the Board.

The number of rights that will vest at the end of the Performance Period will be calculated by measuring achievement against the EBITDA to Cash Conversion Component in accordance with the following sliding scale.

EBITDA to Cash Achievement	Percentage of EBITDA to Cash performance rights that vest
<70%	0%
>70%	25%
>80%	50%
>90%	75%
>95%	100%

### Other Terms

The performance rights do not attract dividends, voting rights or any capital distributions.

Where the Company's performance does not meet the baseline threshold for any Performance Component, there will be no vesting unless the Board exercises its discretion to allow partial vesting of up to 50% of that component.

Participants must not sell, transfer, encumber, hedge or otherwise deal with performance rights.

If the participant ceases employment for death, permanent disability or is otherwise determined to be a "good leaver" by the Board, unvested performance rights will vest in full, unless otherwise determined by the Board. If the participant ceases employment in any other circumstances, all unvested performance rights will lapse, unless otherwise determined by the Board.

In a situation where there is likely to be a change of control, the Board has the discretion to accelerate vesting of some or all of the performance rights. Where only some of the performance rights are vested on a change of control, the remainder of the performance rights will immediately lapse.

A copy of the LTIP will be made available for inspection at the Meeting and is available for download at <https://www.speedcast.com/investor-relations/corporate-governance/>.

In accordance with ASX Listing Rule 10.15, the following additional information is provided for Shareholders:

- Subject to approval by Shareholders, the Board proposes to grant 430,824 performance rights, with a face value of AUD \$1,258,005, to Mr. Beylier under the LTIP with respect to the 2019 financial year. The number of performance rights to be issued to Mr. Beylier has been determined by dividing 175% of his annual fixed remuneration by the volume weighted average share price of the Company for the 10-day period following the announcement of the Company's 2018 financial results.
- The performance rights will be issued at no cost to Mr. Beylier. Once the Performance Conditions are met (or waived), the performance rights will be exercisable at nil cost.
- No Director other than Mr. Beylier is currently eligible to participate in the LTIP.
- No loan will be provided by the Company in relation to the grant or exercise of performance rights proposed to be provided to Mr. Beylier. If Shareholders approve the resolution, 430,824 performance rights will be issued to Mr. Beylier no later than 12 months after the passing of this resolution.

In accordance with ASX Listing Rule 10.15.4 it is confirmed that, since the previous approval of the LTIP issue to Mr. Beylier on 17 May 2018, Mr. Beylier has received 112,907 performance rights.

#### **Voting Restrictions**

In accordance with the requirements of Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- Mr. Pierre-Jean Beylier; or
- An associate of Mr. Pierre-Jean Beylier.

However, the Company will not disregard a vote if the vote:

- Is cast by that person as proxy for a person who is entitled to vote on this Resolution, in accordance with directions on the proxy form; or
- Is cast by the person chairing the meeting as proxy for a person who is entitled to vote on this Resolution, and the proxy form expressly authorises the Chairman to exercise the undirected proxy as the Chairman decides.

The Chairman of the Annual General Meeting intends to vote any undirected proxies in favour of Resolution 3.

#### **Resolution 4: Approval of Long Term Incentive Plan**

The Board adopted the LTIP to enable the Company to issue options, performance rights and restricted shares to eligible participants.

A copy of the LTIP will be made available for inspection at the Meeting and is available for download at <https://www.speedcast.com/investor-relations/corporate-governance/>.

Shareholder approval is not required under the Corporations Act or the Listing Rules for the operation of the LTIP. However, Shareholder approval to the issue of securities under the LTIP is being sought to allow the Company to rely on an exception to the calculation of the placement limits imposed by Listing Rules 7.1 and 7.1A on the number of securities that may be issued without Shareholder approval. Listing Rule 7.1 provides that, subject to certain exceptions, a listed company may not issue or agree to issue equity securities in any 12 month period that exceed 15% of the number of securities the company has on issue, except with the prior approval of shareholders of the company in general meeting, of the terms and conditions of the proposed issue.

Listing Rule 7.2 exception 9(b) provides that Listing Rules 7.1 and 7.1A do not apply to an issue of securities under a LTIP that has been approved by shareholders and the issue of securities is within 3 years from the date of shareholder approval of the issue of securities under the LTIP.

The following information is disclosed to Shareholders for the purposes of this Resolution 4:

- A summary of the terms and conditions of the LTIP is set out in Annexure A to this Explanatory Memorandum;
- The LTIP was originally adopted on 10 July 2014. This is the first time approval has been sought under Listing Rule 7.2 Exception 9(b) with respect to this LTIP.

#### **Voting Restrictions**

In accordance with the requirements of Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- Any eligible participant (as defined in the LTIP rules) who is also a Director of the Company; or
- An associate of those persons.

However, the Company will not disregard a vote if the vote:

- Is cast by that person as proxy for a person who is entitled to vote on this Resolution, in accordance with directions on the proxy form; or

- Is cast by the person chairing the meeting as proxy for a person who is entitled to vote on this Resolution, and the proxy form expressly authorises the Chairman to exercise the undirected proxy as the Chairman decides.

The Chairman of the Annual General Meeting intends to vote any undirected proxies in favour of Resolution 4.

### Resolution 5: Approval of Potential Future Termination Benefits

Under Section 200B of the Corporations Act, a company may only give a benefit in connection with a person ceasing to hold a managerial or executive office (as that term is defined in section 200AA of the Corporations Act) in the company or a related body corporate if the benefit is approved by shareholders (and, if the company is a subsidiary of an Australian listed company, the shareholders of the Australian listed company) or an exemption applies. Relevantly, termination benefits provided on cessation of employment in excess of 12 months' average annual base salary cannot be paid without shareholder approval.

The potential future termination benefits for which Shareholder approval is sought for the purposes of Section 200B and 200E of the Corporations Act are as follows:

#### Mr. Pierre-Jean Beylier (Managing Director and Chief Executive Officer)

Mr. Beylier is the Managing Director and Chief Executive Officer of the Company and its subsidiaries. A summary of the

key terms of his employment are contained in the Company's 2018 Annual Report. Mr. Beylier's employment agreement is with Speedcast Limited, a wholly-owned subsidiary of the Company.

The Company is seeking Shareholder approval via the above Resolution 3 to grant to Mr. Beylier performance rights under the 2019 LTIP. Each performance right entitles Mr. Beylier to acquire a Share in the Company for nil consideration upon vesting, which (subject to the below) will occur when certain performance conditions (as described in the explanatory notes to Resolution 3) are satisfied.

However, consistent with the terms of the LTIP:

- If Mr. Beylier ceases employment for death, permanent disability or is otherwise determined to be a "good leaver" by the Board, all unvested performance rights will vest in full, unless otherwise determined by the Board; and
- If Mr. Beylier ceases employment in any other circumstances, all unvested performance rights will lapse, unless otherwise determined by the Board.

The vesting of unvested performance rights upon the cessation of Mr. Beylier's employment might be considered a termination benefit to which section 200B of the Corporations Act applies. The value of such a termination benefit will depend on the number of performance rights that vest upon cessation of employment and the market price of the Company's Shares at the time.

#### Other Key Management Personnel

In addition to Mr. Beylier, the Company intends to grant performance rights under the 2019 LTIP to 5 other KMP (each being an "Executive").

Name	Number of Performance Rights
Mr. Clive Cuthell (Chief Financial Officer)	251,200
Mr. Keith Johnson (Executive Vice President, Energy)	243,545
Ms. Athina Vezyri (Executive Vice President, Maritime)	161,436
Mr. Erwan Emilian (Executive Vice President, Enterprise and Emerging Markets)	133,602
Mr. Sebastien Lehnerr (Chief Operating Officer)	243,545

As with the performance rights granted to Mr. Beylier, each of these performance rights entitles the Executive to acquire a share in the Company for nil consideration upon 'vesting', which (subject to the below) will occur when certain performance conditions to include a Total Shareholder Return Component, Organic Revenue Growth Component and Employee Service Component) are satisfied.

However, consistent with the terms of the LTIP:

- If the Executive ceases employment for death, permanent disability or is otherwise determined to be a “good leaver” by the Board, all unvested performance rights will vest in full, unless otherwise determined by the Board; and
- If the Executive ceases employment in any other circumstances, all unvested performance rights will lapse, unless otherwise determined by the Board.

The vesting of unvested performance rights upon the cessation of an Executive’s employment might be considered a termination benefit to which section 200B of the Corporations Act applies. The value of such a termination benefit will depend on the number of performance rights that vest upon cessation of employment and the market price of the Company’s Shares at the time.

#### **No New Benefits**

Shareholders are not being asked to approve any change or increase in the remuneration or benefits or entitlements for the CEO or other KMP, or any variations to the existing discretions of the Board.

#### **Board Discretion**

Approval does not assume that the relevant Executives will receive any termination benefits. Rather it preserves the discretion of the Board to determine the most appropriate treatment on termination in accordance with employment agreements, applicable incentive plan rules and Company policies, within the confines of this approval.

#### **Voting Restrictions**

Pursuant to the Corporations Act, Mr. Beylier and each Executive (each a “Retiree”) and each of associates are not permitted to cast a vote on this Resolution 5 in any capacity, including as a proxy for another person who is permitted to vote, unless the appointment of the proxy either:

- specifies the way the proxy is to vote on the resolution; or
- expressly authorises the Chairman of the meeting to exercise the undirected proxies even if the resolution is connected with the remuneration of a member of the KMP
- and that vote is not cast on behalf of the relevant Retiree or an associate of the Retiree.

The Chairman of the Annual General Meeting intends to vote any undirected proxies in favour of Resolution 5.

#### **Resolution 6: Approval of Non-executive Directors’ Remuneration**

It is proposed to increase the maximum aggregate remuneration that may be paid to non-executive Directors by US\$200,000, from US\$500,000 per annum to US\$700,000 per annum. The proposed increase in the maximum aggregate amount payable to non-executive Directors will ensure that fees are in line with future market rates and provide sufficient headroom to enable non-executive Directors’ fees to be paid to any incoming Directors.

The existing fee pool of US\$500,000 was established in 2014 upon the Company’s listing on the ASX. The market capitalisation of the Company has since increased from US\$235.5m to US\$927.8m (calculated from the closing price as at 03 April 2019).

In addition, two Directors resigned from the Board in 2018, Michael Berk and Ed Sippel. Both Mr. Berk and Mr. Sippel were employees of TA Associates, a large shareholder, and as such neither received any direct compensation for their service as Directors. The Company will seek to bring a new non-executive Director onto the Board in 2019 and an increase in maximum remuneration may be required to allow for compensation to be paid to the incoming Director, in line with current Company policy.

Shareholder approval is sought under clause 8.3 of the Company’s Constitution and under ASX Listing Rule 10.17.

For the purposes of ASX Listing Rule 10.17, no securities have been issued to non-executive Directors over the last three years under Listing Rule 10.11 or 10.14.

#### **Voting Exclusion**

In accordance with the requirements of Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- A Director of the Company; or
- An associate of a Director of the Company.

However, the Company will not disregard a vote if the vote:

- Is cast by that person as proxy for a person who is entitled to vote on this Resolution, in accordance with directions on the Proxy Form; or
- Is cast by the person chairing the Meeting as proxy for a person who is entitled to vote on this Resolution, and the Proxy Form expressly authorises the Chairman to exercise the undirected proxy as the Chairman decides.

The Chairman of the Annual General Meeting intends to vote any undirected proxies in favour of Resolution 6.

## Annexure A – Summary of the Speedcast International Limited Long Term Incentive Plan

The terms and conditions of the LTIP are summarised below.

### Board

The LTIP is administered by the Board, or any persons delegated

### Participants

- (a) Employees of the Company or any of its related bodies corporate<sup>1</sup> (including directors employed in an executive capacity).
- (b) Any other person who is declared by the Board to be eligible to receive a grant under the LTIP.

### Eligibility

The Board has absolute discretion to determine the eligibility of participants.

### Types of securities

The Company may grant one or more of the following securities as incentives, subject to the terms of individual offers:

- performance rights;
- options; and
- restricted shares.

Options are an entitlement to receive a Share upon payment of an applicable exercise price. Performance rights and restricted shares are an entitlement to receive a Share for no consideration.

### Offers under the LTIP

The Board may, in its absolute discretion, invite eligible employees to participate in a grant of performance rights, options or restricted shares. The Board has the discretion to set the terms and conditions on which it will offer these securities.

Offers must be accepted by the participant in accordance with the instructions contained in the particular terms of the offer document.

### Issue price

Unless the Board determines otherwise, no payment is required for a grant of a performance right, option or restricted share under the LTIP.

### Vesting

Vesting of performance rights, options and restricted shares is subject to any vesting or performance conditions determined by the Board and specified in the particular terms of the offer document.

Options must be exercised by the employee and the employee is required to pay the exercise price before Shares are allocated.

Subject to the LTIP rules and the terms of the specific offer document, any performance rights, options or restricted shares will either lapse or be forfeited if the relevant vesting and performance conditions are not satisfied.

<sup>1</sup> As defined in section 50 of the Corporations Act.

**Entitlements under performance rights, options and restricted shares**

Subject to the particular terms of the offer document, Shares allocated to a participant under the LTIP will entitle that participant to:

- receive all dividends and other distributions payable in respect of the Shares;
- exercise voting rights attaching to the Shares;
- receive any bonus shares issued in respect of the Shares; and
- exercise any rights arising on a rights issue in respect of those Shares.

**Cessation of employment**

The Board has a broad discretion in relation to the treatment of entitlements on a participant's cessation of employment. Subject to the particular terms of the offer document, the Board may determine that some or all of the participant's performance rights, options or restricted shares (as applicable) lapse, are forfeited, vest, are only exercisable for a prescribed period, or no longer subject to some applicable restrictions.

**Clawback and preventing inappropriate benefits**

If, amongst other things, a participant:

- has acted fraudulently or dishonestly or in a way which has brought the Company or its related bodies corporate into disrepute; engaged in gross misconduct; wilfully breached his or her obligations to the Company and its related bodies corporate; or is convicted of an offence;
- there is a material misstatement or omission in the financial statements of a group company;
- the participant's entitlements vest as a result of the fraud, dishonesty or wilful breach of duty of any other person and the Board is of the opinion that the incentives would not have otherwise vested; or
- the Company is required or entitled under law or Company policy to reclaim remuneration from the participant, the Board may determine that any performance rights, options, restricted shares or Shares allocated upon vesting will lapse or be deemed to be forfeited (as the case may be). The Board may also require the participant to pay to the Company as a debt, among other things, all or part of the net proceeds of sale where Shares allocated under the LTIP have been sold.

**Change of control**

On a change of control event (which includes a takeover bid or any other transaction, event or state of affairs, that the Board considers is likely to result in a change in control of the Company or which should otherwise be treated as a change of control event), the Board may determine that some or all of a participant's performance rights, options or restricted shares will vest or cease to be subject to restrictions.

# NOTES

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## 1. Explanatory Memorandum

The Explanatory Memorandum and the annexure accompanying this Notice of Annual General Meeting are incorporated in and comprise part of this Notice of Annual General Meeting and should be read in conjunction with this Notice of Annual General Meeting.

## 2. Entitlement to Vote

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Company (as convenor of the Meeting) has determined that a person's entitlement to attend and vote at the Meeting will be those persons set out in the register of Shareholders as at 7:00pm (AEST) on 17 May 2019.

## 3. Corporate Representative

In order to vote at the Annual General Meeting (other than by proxy or under power of attorney), a corporation that is a shareholder must appoint a person to act as its representative. The appointment must comply with section 253B of the Corporations Act. The representative must bring to the Annual General Meeting evidence of his or her appointment, including any authority under which it was signed.

## 4. Proxies

A Shareholder entitled to attend this Meeting and vote, is entitled to appoint a proxy to attend and vote on behalf of that Shareholder at the Meeting.

- (a) A proxy need not be a Shareholder.
- (b) If the Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the proportion or number of the votes which each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes held by that Shareholder.
- (c) If the Shareholder appoints only one proxy, that proxy is entitled to vote on a show of hands. If a Shareholder appoints two proxies, only one proxy is entitled to vote on a show of hands.
- (d) Where two proxies are appointed, any fractions of votes resulting from the appointment of two proxies will be disregarded.

- (e) A Proxy Form accompanies this Notice.
- (f) Unless the Shareholder specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting.
- (g) If a Shareholder wishes to appoint a proxy, the Shareholder should complete the Proxy Form and comply with the instructions set out in that form relating to lodgement of the form with the Company.
- (h) The Proxy Form must be signed by the Shareholder or his or her attorney duly authorised in writing or, if the Shareholder is a corporation, either signed by an authorised officer or attorney of the corporation or otherwise signed in accordance with the Corporations Act.
- (i) If any attorney or authorised officer signs the Proxy Form on behalf of a Shareholder, the relevant power of attorney or other authority under which it is signed or a certified copy of that power or authority must be deposited with the Proxy Form.
- (j) The Proxy Form (together with any relevant authority) must be received by the Company's Share Registry by no later than 2:00pm (AEST) on Saturday, 18 May 2019 before the time scheduled for the commencement of the meeting (or any adjournment of that meeting).
- (k) The completed Proxy Form may be sent:

In person:	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000
By mail: (reply paid envelope enclosed)	Speedcast International Limited C/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
By fax:	Link Market Services Limited +61 2 9287 0309
Online:	Vote online at <a href="http://www.linkmarketservices.com.au">www.linkmarketservices.com.au</a>

A proxy form will also be effective if received at the Company's registered office by the above time, in person or by mail or by fax. The address is Unit 4F Level 1, 12 Lord Street, Botany, NSW 2019 and the fax number is +61 2 9531 8391.

# GLOSSARY

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Throughout this Explanatory Memorandum the following various words and phrases are capitalised and the definitions of these capitalised words and phrases are set out below:

**“2018 Annual Report”** means the Company’s Annual Report for the financial year ended 31 December 2018 (which includes the Financial Report, Directors’ Report and Auditor’s Report);

**“ASIC”** means the Australian Securities & Investments Commission;

**“ASX”** means ASX Limited (ACN 008 624 691);

**“ASX Listing Rules”** or **“Listing Rules”** means the Official Listing Rules of the ASX;

**“ASX Principles”** means the ASX Corporate Governance Principles and Recommendations (3rd edition);

**“Board”** means the board of Directors of the Company;

**“Chairman”** means chairman of the Annual General Meeting;

**“Closely Related Party”** of a member of the Key Management Personnel means:

- (a) A spouse or child of the member;
- (b) A child of the member’s spouse;
- (c) A dependant of the member or the member’s spouse;
- (d) Anyone else who is one of the member’s family and may be expected to influence the member, or be influenced by the member, in the member’s dealing with the entity;
- (e) A company the member controls; or
- (f) A person prescribed by the Corporation Regulations

**“Company”** or **“SDA”** means Speedcast International Limited ACN 600 699 241;

**“Constitution”** means the Company’s constitution;

**“Corporations Act”** means the Corporations Act 2001 (Cth);

**“Corporations Regulations”** means the *Corporations Regulations 2001 (Cth)*

**“Directors”** means the current Directors of the Company;

**“EBITDA to Cash Conversion Component”** means that percentage of the 2019 LTIP offer which will vest subject to the Company’s success in increasing its operating cash flow over the Performance Period;

**“Explanatory Memorandum”** means this Explanatory Memorandum as modified or varied by any supplementary Memorandum issued by the Company from time to time;

**“Key Management Personnel”** or **“KMP”** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

**“Long Term Incentive Plan”** or **“LTIP”** means the Long Term Incentive Plan of the Company, adopted on 22 July 2014;

**“Meeting”** or **“Annual General Meeting”** means the Annual General Meeting convened by this Notice;

**“Notice”** or **“Notice of Meeting”** means the notice convening the Annual General Meeting of the Company to be held on 20 May 2019 which accompanies this Explanatory Memorandum;

**“Organic Growth”** means underlying revenue growth in the Company over the Performance Period, excluding any incremental growth from asset or entity acquisitions made after the beginning of the Performance Period;

**“ORG Component”** means that percentage of the 2019 LTIP offer which will vest subject to the achievement of the Organic Growth performance target for the Company;

**“Performance Period”** for the purposes of the 2019 LTIP means 1 January 2019 to 31 December 2021;

**“Proxy Form”** means the proxy form that is enclosed with and forms part of this Notice;

**“Remuneration Report”** means the remuneration report set out in the Directors’ Report section of the Company’s Annual Financial Report for the year ended 31 December 2018.

**“Resolution”** means a resolution in the form proposed in the Notice of Meeting;

**“Service Component”** means the percentage of the 2019 LTIP offer that will vest subject to the participant remaining an employee of the Company until 31 December 2021;

**“Shareholder”** means a registered holder of a Share in the Company;

**“Share(s)”** means a fully paid ordinary share in the Company;

**“TSR”** means total shareholder return; and

**“TSR Component”** means that percentage of the 2019 LTIP offer which will vest subject to the achievement of the TSR performance target for the Company relative to the performance of the S&P/ASX 200 Index (AUD) over a Performance Period commencing on 1 January 2019 and ending on 31 December 2021.

INTENTIONALLY  
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**LODGE YOUR VOTE**

-  **ONLINE**  
www.linkmarketservices.com.au
-  **BY MAIL**  
Speedcast International Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia
-  **BY FAX**  
+61 2 9287 0309
-  **BY HAND**  
Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000
-  **ALL ENQUIRIES TO**  
Telephone: 1300 554 474      Overseas: +61 1300 554 474

## PROXY FORM

I/We being a member(s) of Speedcast International Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

**the Chairman of the Meeting (mark box)**      **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (AEST) on Monday, 20 May 2019 at the Intercontinental Hotel, 117 Macquarie Street, Sydney, NSW 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

**Important for Resolution 1, 3, 4, 5 & 6:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 3, 4, 5 & 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

### VOTING DIRECTIONS

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .**

Resolutions	For	Against	Abstain*		For	Against	Abstain*
<b>1</b> Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>5</b> Approval of Potential Future Termination Benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2</b> Re-election of Director – Mr. Peter Jackson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>6</b> Approval of Non-executive Directors' Remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3</b> Approval of Long Term Incentive Plan Issue to CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
<b>4</b> Approval of Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 \* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (AEST) on Saturday, 18 May 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

Speedcast International Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Level 12  
680 George Street  
Sydney NSW 2000

\* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**