

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

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TELEKOM MALAYSIA BERHAD
198401016183 (128740-P)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The ordinary resolutions in respect of the above Proposed Shareholders' Mandate will be tabled at the Thirty-Ninth Annual General Meeting (39th AGM) of Telekom Malaysia Berhad (the Company) which will be held as a virtual meeting at the Broadcast Venue. This Circular is available at tm.com.my/iar2023 together with, amongst others, the Notice of the 39th AGM, Proxy Form and Administrative Guide for the 39th AGM.

Day, Date and Time of the Virtual 39 th AGM	: Thursday, 30 May 2024 at 10:00 a.m. or at any adjournment thereof
Broadcast Venue of the 39 th AGM	: Multi-Purpose Hall (MPH) Menara TM Jalan Pantai Baharu 50672 Kuala Lumpur Malaysia
Last Day, Date and Time for lodging the Proxy Form	: Wednesday, 29 May 2024 at 10:00 a.m. or at any adjournment thereof

Please follow the procedures as stipulated in the Administrative Guide for the 39th AGM in order to register, participate and vote remotely. In the event you wish to appoint a proxy, please complete, sign and return the Proxy Form in accordance with the instructions printed thereon. For further information on the electronic lodgement of the Proxy Form, kindly refer to the Administrative Guide.

This Circular is dated 30 April 2024

DEFINITIONS

The following definitions shall apply throughout this Circular unless the context requires otherwise:

Act	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
AMHB	:	Astro Malaysia Holdings Berhad [Registration No: 201101004392 (932533-V)]
AMHB Group	:	AMHB and/or its subsidiaries as defined in Section 4 of the Act
Axiata	:	Axiata Group Berhad [Registration No: 199201010685 (242188-H)]
Axiata Group	:	Axiata and/or its subsidiaries as defined in Section 4 of the Act
BAC	:	Board Audit Committee
Board	:	Board of Directors of our Company
Bursa Securities	:	Bursa Malaysia Securities Berhad [Registration No: 200301033577 (635998-W)]
CelcomDigi	:	CelcomDigi Berhad [Registration No: 199701009694 (425190-X)]
CelcomDigi Group	:	CelcomDigi and/or its subsidiaries as defined in Section 4 of the Act
Circular	:	This circular to the shareholders of the Company dated 30 April 2024
CMSA	:	Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
Constitution	:	Constitution of the Company, as amended from time to time
Director	:	(a) A Director of our Company or our subsidiary, and shall have the same meaning as given in Section 2(1) of the CMSA; and (b) For purposes of the Proposed Renewal of Shareholders' Mandate, includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or a chief executive of our Company, our subsidiary or holding company, in accordance with the definition in Chapter 10 of the Main LR
DNB	:	Digital Nasional Berhad [Registration No: 201701005338 (1219503-P)]
Fiberail	:	Fiberail Sdn. Bhd. [Registration No: 198901013420 (190730-W)]
Fibrecomm	:	Fibrecomm Network (M) Sdn. Bhd. [Registration No: 199201009356 (240859-H)]
Khazanah	:	Khazanah Nasional Berhad [Registration No: 199301020767 (275505-K)], a Major Shareholder of our Company
LPD	:	31 March 2024, being the latest practicable date prior to the printing of this Circular
Main LR	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
Major Shareholder	:	(a) A person who has an interest or interests in one (1) or more voting shares in our Company or our subsidiary and the number or the aggregate number of those shares, is: (i) 10% or more of the total number of voting shares in our Company; or (ii) 5% or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company. For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act; and (b) For purposes of the Proposed Renewal of Shareholders' Mandate, it also includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a Major Shareholder of our Company, or any other corporation which is our Company's subsidiary or holding company

MOF Inc.	Minister of Finance, a body corporate established under the Ministry of Finance (Incorporation) Act, 1957
Person Connected	: Shall have the same meaning given in Paragraph 1.01, Chapter 1 of the Main LR
Petronas	: Petroliam Nasional Berhad [Registration No: 197401002911 (20076-K)]
Petronas Group	: Petronas and/or its subsidiaries as defined in Section 4 of the Act
Proposed Renewal of Shareholders' Mandate	: Proposed renewal of shareholders' mandate for RRPT to be entered into as set out in Appendix I of this Circular
Related Party	: A Director, Major Shareholder or Person Connected with such Director or Major Shareholder
Related Party Transaction	: A transaction entered into between our Company or a subsidiary of our Company which involves the interest, direct or indirect, of a Related Party
Recurrent Related Party Transaction(s) or RRPT(s)	: Related Party Transaction which is recurrent, of a revenue or trading nature and which is necessary for our Group's day-to-day operations and are in the ordinary course of business of our Group
Shareholders	: Shareholders of our Company
TNB	: Tenaga Nasional Berhad [Registration No: 199001009294 (200866-W)]
TNB Group	: TNB and/or its subsidiaries as defined in Section 4 of the Act
TM or Company	: Telekom Malaysia Berhad [Registration No: 198401016183 (128740-P)]
TM Group or Group	: TM and/or its subsidiaries as defined in Section 4 of the Act
VADS	: VADS Berhad [Registration No: 199001017070 (208739-W)], a wholly owned subsidiary of TM

All references to "our Company" in this Circular are to TM. References to "our Group" are to our Company and our subsidiaries. References to "we", "us", "our" and "ourselves" are to our Company and where the context requires, shall include our subsidiaries.

All references to "you" in this Circular are to the shareholders of TM.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations.

Any reference to any enactment in this Circular is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time or date in this Circular is a reference to Malaysian time or date, unless otherwise stated.

Any discrepancy in the tables between the amounts listed, actual figures and the totals in this Circular are due to rounding.

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TELEKOM MALAYSIA BERHAD

198401016183 (128740-P)
(Incorporated in Malaysia)

Registered Office:

Level 51 North Wing
Menara TM
Jalan Pantai Baharu
50672 Kuala Lumpur
Malaysia

30 April 2024

DIRECTORS:

Dato' Zainal Abidin Putih (*Chairman, Non-Independent Non-Executive Director*)

Amar Huzaimi Md Deris (*Managing Director/Group Chief Executive Officer,
Non-Independent Executive Director*)

Datuk Dr. Shahrazat Haji Ahmad (*Non-Independent Non-Executive Director*)

Dato' Mohamed Nasri Sallehuddin (*Non-Independent Non-Executive Director*)

Muhammad Afhzal Abdul Rahman (*Non-Independent Non-Executive Director*)

Tunku Afwida Tunku Dato' A.Malek (*Senior Independent Non-Executive Director*)

Balasingham A. Namasiwayam (*Independent Non-Executive Director*)

Hisham Zainal Mokhtar (*Independent Non-Executive Director*)

Suhendran Sockanathan (*Independent Non-Executive Director*)

Datuk Siti Zauyah Md Desa (*Independent Non-Executive Director*)

Rossana Annizah Ahmad Rashid (*Independent Non-Executive Director*)

Ahmad Taufek Omar (*Non-Independent Non-Executive Director*)

Iszad Jeffri Ismail (*Alternate Director to Datuk Dr. Shahrazat Haji Ahmad,
Non-Independent Non-Executive Alternate Director*)

To: Our Shareholders

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE)

1. INTRODUCTION

1.1 At our Company's AGM held on 25 May 2023, our Company had obtained the renewal of shareholders' mandate and additional shareholders' mandate for our Company and/or our subsidiaries to enter into RRPT of a revenue or trading nature which are necessary for our Group's day-to-day operations and are in the ordinary course of business and on terms that are not more favourable to the Related Parties than those generally available to the public (**Existing Mandate**).

1.2 The Existing Mandate shall, in accordance with the Main LR, lapse at the conclusion of our forthcoming 39th AGM, unless the authority for its renewal is obtained from our shareholders at our forthcoming 39th AGM.

1.3 Accordingly, our Board had on 23 February 2024 announced our intention to seek your approval for the Proposed Renewal of Shareholders' Mandate at the forthcoming 39th AGM.

1.4 The purpose of this Circular is to provide you with the information on the Proposed Renewal of Shareholders' Mandate and to seek your approval for the resolutions pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at our forthcoming 39th AGM.

WE ADVISE YOU TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE.

2. DETAILS OF THE PROPOSED RENEWAL SHAREHOLDERS' MANDATE

2.1 Provisions under the Main LR

(a) Paragraph 10.09(1) of the Main LR provides, amongst others, that a listed issuer must immediately announce a RRPT in relation to a listed issuer with an issued and paid up capital of RM60.0 million and above:

(i) the consideration, value of the assets, capital outlay or cost of the RRPT is RM1.0 million or more; or

(ii) the percentage ratio of such RRPT is one (1) percent or more,

whichever is the higher.

(b) Paragraph 10.09(2) of the Main LR further provides that a listed issuer may seek shareholders' mandate in respect of RRPT subject to the following:

(i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;

(ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the integrated annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Main LR;

(iii) the circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities;

(iv) in a meeting to obtain the shareholders' mandate, the relevant related party must comply with the following requirements;

1. a related party with any interest, direct or indirect, must not vote on the resolution in respect of the RPT;

2. an interested related party who is a Director or Major Shareholder, must ensure that Persons Connected with it abstain from voting on the resolution in respect of the RPT; and

3. where the interested related party is a Person Connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution in respect of the RPT; and

- (v) a listed issuer must immediately announce to Bursa Securities when the actual value of a RRPT entered into by the listed issuer exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.
- (c) Transactions entered into between a listed issuer (or any of its wholly-owned subsidiaries) and its wholly-owned subsidiary are excluded from the requirements of Part E of Chapter 10 of the Main LR.
- (d) In accordance with Paragraph 3.1.4 of Practice Note 12 of the Main LR, the shareholders' mandate will take effect from the date on which shareholders' approval is obtained and shall continue to be in force until:
 - (i) the conclusion of the next AGM of a listed issuer following the general meeting at which the shareholders' mandate was granted, at which time it will lapse, unless by a resolution passed at the general meeting, the authority is renewed;
 - (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (iii) revoked or varied by resolution passed by the shareholders at a general meeting;whichever is the earlier.
- (e) Pursuant to Section 3.1.5 of Practice Note 12 of the Main LR, disclosure is made in our Company's Integrated Annual Report on the breakdown of the aggregate value of the RRPT made during the financial year, amongst others, based on the following information:
 - (i) the type of the RRPT made; and
 - (ii) the names of the related parties involved in each type of the RRPT made and their relationship with the listed issuer.

Accordingly, our Company proposes to procure the approval from our Shareholders for the Proposed Renewal of Shareholders' Mandate for our Group to enter into recurrent transactions with Related Parties which are of a revenue or trading nature and necessary for our Group's day-to-day operations and are in the ordinary course of business, on terms not more favourable to the Related Parties than those generally made available to the public and are not detrimental to the minority shareholders.

The Proposed Renewal of Shareholders' Mandate, if approved, will take effect from the date of our forthcoming 39th AGM and will continue to be in force until the conclusion of the next AGM or until the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act) unless revoked or varied by resolution passed by our Shareholders at a general meeting, whichever is earlier.

2.2 **Our principal activities**

The principal activities of our Group are the establishment, maintenance and provision of telecommunications and related services, including the provision of broadband network infrastructure facilities and multimedia services, research and development activities, leasing of optical fibre telecommunication system services, managed network services and digital solutions. We also provide other non-telecommunication related services such as provision of education, fleet management services and integrated security surveillance system.

2.3 Classes of Related Parties

The Proposed Renewal of Shareholders' Mandate will apply to the following classes of Related Parties:

- (a) Major Shareholders;
- (b) Directors; and
- (c) Persons Connected to such Major Shareholders and/or Directors.

2.4 RRPT Details

- (a) Class, nature and estimated aggregate value of the RRPT

The details of the RRPT under the Proposed Renewal of Shareholders' Mandate are described in Appendix I of this Circular.

- (b) Amounts due and owing to our Group by Related Party pursuant to RRPT (Outstanding RRPT Receivables)

The Outstanding RRPT Receivables which have exceeded the credit term for the following periods as at 31 December 2023 are as follows:

No.	Nature of RRPT	Principal amount of Outstanding RRPT Receivables which exceed the credit term for a period of					Total
		1 year or less	More than 1 to 3 years	More than 3 to 5 years	More than 5 years		
		RM '000	RM '000	RM '000	RM '000	RM '000	
1	Interconnect revenue from Axiata Group	441 ⁽¹⁾	–	–	–	441	
2	Provision of data and bandwidth related services to Axiata Group	1,327	2,891	–	–	4,218	
3	Provision of contact centre and business process outsourcing services by VADS to Axiata Group	1,861 ⁽²⁾	–	–	–	1,861	
4	Provision of fibre optic core, data and bandwidth services by Fiberail to Axiata Group	98	–	–	–	98	
5	Provision of fibre optic, bandwidth, space & facility by Fibrecomm to Axiata Group	30 ⁽³⁾	–	–	–	30	
6	Interconnect revenue from CelcomDigi Group	875 ⁽⁴⁾	1,016 ⁽⁵⁾	–	–	1,891	
7	Provision of data and bandwidth related services to CelcomDigi Group	30,370 ⁽⁶⁾	3,202	–	–	33,572	
8	Provision of internet access and broadband services to CelcomDigi Group	–	1,693	–	–	1,693	
9	Provision of leased-line services to CelcomDigi Group	11,119 ⁽⁷⁾	2,611 ⁽⁸⁾	–	–	13,730	
10	Site rental for telecommunication infrastructure, equipment and related charges by TM Group to CelcomDigi Group	18,153 ⁽⁹⁾	5,251	–	–	23,404	
11	Provision of fibre optic core, data and bandwidth services by Fiberail to CelcomDigi Group	53 ⁽¹⁰⁾	–	–	–	53	

**Principal amount of Outstanding RRPT Receivables
which exceed the credit term for a period of**

No.	Nature of RRPT	1 year or less	More than 1 to 3 years	More than 3 to 5 years	More than 5 years	Total
		RM '000	RM '000	RM '000	RM '000	RM '000
12	Provision of data, transmission and content delivery services to AMHB Group	1,905 ⁽¹¹⁾	–	–	–	1,905
13	Provision of Connectivity, Customer and Smart Services to AMHB Group	5,411 ⁽¹²⁾	–	–	–	5,411
14	Provision of Connectivity, Customer and Smart Services to Petronas Group	7,549 ⁽¹³⁾	–	–	–	7,549
15	Sales of fibre optic cables, bandwidth and ethernet services to Petronas Group	5,082 ⁽¹⁴⁾	–	–	–	5,082
16	Provision of Connectivity, Customer and Smart Services to TNB Group	716 ⁽¹⁵⁾	–	–	–	716
17	Provision of Connectivity, Customer and Smart Services to DNB	168 ⁽¹⁶⁾	–	–	–	168
18	Provision of 5G connectivity and its core network comprising the leasing of fibre, site, data centre, edge facilities and other related transmission services to DNB	77,577 ⁽¹⁷⁾	–	–	–	77,577
TOTAL		162,735	16,664	–	–	179,399

Notes:

- ⁽¹⁾ As at LPD, the outstanding amount due is RM425,000.
⁽²⁾ As at LPD, the outstanding amount due has been fully received.
⁽³⁾ As at LPD, the outstanding amount due has been fully received.
⁽⁴⁾ As at LPD, the outstanding amount due is RM422,000.
⁽⁵⁾ As at LPD, the outstanding amount due is RM1,015,000.
⁽⁶⁾ As at LPD, the outstanding amount due is RM9,562,000.
⁽⁷⁾ As at LPD, the outstanding amount due has been fully received.
⁽⁸⁾ As at LPD, the outstanding amount due has been fully received.
⁽⁹⁾ As at LPD, the outstanding amount due is RM9,086,000.
⁽¹⁰⁾ As at LPD, the outstanding amount due is RM43,000.
⁽¹¹⁾ As at LPD, the outstanding amount due is RM107,000.
⁽¹²⁾ As at LPD, the outstanding amount due is RM1,025,000.
⁽¹³⁾ As at LPD, the outstanding amount due is RM3,780,000.
⁽¹⁴⁾ As at LPD, the outstanding amount due has been fully received.
⁽¹⁵⁾ As at LPD, the outstanding amount due is RM549,000.
⁽¹⁶⁾ As at LPD, the outstanding amount due has been fully received.
⁽¹⁷⁾ As at LPD, the outstanding amount due has been fully received.

No late payment charges are imposed on the outstanding receivables from the above Related Parties. Our BAC and Board have reviewed the outstanding amounts, and are of the opinion that the outstanding amounts were part of normal business operations of our Group and are optimistic that the amount is recoverable. In addition, the Related Parties have long-standing business relationships with our Group and have sound credit standing.

The management focuses on credit management and actively engages and negotiates with the Related Parties to pursue the Outstanding RRPT Receivables. The Company will recover the Outstanding RRPT Receivables progressively.

2.5 Review procedures for the RRPT

Our Group has established various procedures to ensure that the RRPT are undertaken on arm's length basis, normal commercial terms and transaction prices, which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders. To supplement the existing internal control procedures of our Group, BAC is tasked with the review and approval of such transactions.

Our BAC currently comprises Hisham Zainal Mokhtar (Chairman of BAC and Independent Non-Executive Director), Tunku Afwida Tunku Dato' A.Malek (Senior Independent Non-Executive Director), Suhendran Sockanathan (Independent Non-Executive Director) and Rossana Annizah Ahmad Rashid (Independent Non-Executive Director).

We have established the following procedures and guidelines for the review and approval of the RRPT:

- (a) an updated list of Related Parties is available from the Compliance Risk Management System (CRMS) and it is accessible by all the relevant finance personnel from all division for reference in identifying the related parties with our Group;
- (b) a list of the Related Parties is also provided to our Group Procurement Division for their reference for purposes of monitoring the transactions entered into by our Company and Group. The chief financial officers or heads of financial division (as the case may be) in our Group will ensure that all RRPT to be entered into by our Group are required to be undertaken on an arm's length basis, on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to our minority shareholders;
- (c) regular RRPT awareness programs and briefing sessions to operating units and subsidiaries are carried out by our Group Procurement Division and PLC Compliance Unit on the requirement to monitor and report on all RRPT for compilation and reporting to our Best Practices Committee and BAC;
- (d) proper records of the RRPT to be entered into with the Related Parties under the Shareholders' Mandate are maintained. Disclosure is made in our Integrated Annual Report on the breakdown of the aggregate value of RRPT entered into during the financial year based on, amongst others, the following:
 - (i) the type of RRPT made; and
 - (ii) the names of the Related Parties involved in each type of the RRPT made and their relationship with us;
- (e) we shall only enter into any RRPT after taking into account the pricing and contract rate, terms and conditions, level of service and expertise required, quality of products and services provided to/by the Related Parties as compared to prevailing market prices and rates, industry norms and standards as well as general practices by service providers of similar capacity and capability generally available in the open market;
- (f) the annual internal audit plan will incorporate a review of all RRPT as part of the audit scope for the purpose of the RRPT mandate review to be tabled for Shareholder's approval;
- (g) the RRPT will be reviewed by the internal auditors on the utilisation against the approved mandate twice a year. The review is reported to the Best Practices Committee for deliberation. The Best Practice Committee will then report to the BAC. Our BAC shall have the right of access to information on the Related Parties and is entitled to the services of any independent advisers, if required, in the discharge of its duties;
- (h) our BAC shall review on an annual basis the internal audit reports pertaining to the RRPT to ascertain that the guidelines and procedures established to monitor the RRPT have been complied with;

- (i) our Board and BAC shall have the overall responsibility of determining whether the review procedures and guidelines on the RRPT are appropriate and sufficient. If any of our Board or BAC members has an interest in an RRPT, he or she will abstain from any decision making in respect of that RRPT;
- (j) if our Board and BAC are of the view that the review procedures are no longer sufficient to ensure that the RRPT is made on an arm's length basis, on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to our minority shareholders, they shall have the discretion to discharge, vary and/or modify or implement new and/or additional procedures and guidelines, without your prior approval, provided that such amended, varied, modified, new or additional procedures are no less stringent than the existing procedures and guidelines;
- (k) at least two (2) other contemporaneous transactions with unrelated third parties for similar products/ services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the related parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/ services and/or quantities;
- (l) where quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by our Group based on those offered by/to other unrelated parties for the same or substantially similar type of transaction. In the event this method of comparison is also not available, we will then undertake other typically-adopted forms of benchmarking analyses (such as evaluating the reasonableness of the profit margin which we may derive in connection with such RRPT) to determine a transaction price which is deemed to be on arm's length basis and to ensure that the RRPT is not detrimental to our Group;
- (m) our Group has in place internal authority limit matrices governing all business transactions including RRPT. Such internal authority limit matrices would include approval thresholds, which vary depending on the type of transaction as well as the legal entity/division/business unit undertaking such transactions. Essentially, all transactions shall be reviewed and approved by our Board, Executive Director, senior management and/or appropriate approving levels in accordance with our Group's internal authority limit matrices; and
- (n) in addition, any RRPT having a percentage ratio (as defined under Paragraph 10.02(g) of the Main LR) of 0.25% or more must be reported to PLC Compliance Unit, who in turn can take the appropriate and necessary action, which may include procuring the BAC's approval.

2.6 Statement by BAC

Our BAC has seen and reviewed the procedures mentioned in Section 2.5 above and is of the opinion that the abovementioned procedures are sufficient to ensure that any RRPT are:

- (a) undertaken on an arm's length basis;
- (b) on terms not more favourable to the Related Parties than those generally available to the public; and
- (c) not detrimental to our minority shareholders.

BAC is of the view that our Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner, and such procedures and processes are reviewed on a yearly basis or whenever the need arises.

3. RATIONALE AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate will enable our Group to enter into the RRPT described in Appendix I of this Circular.

The RRPT are transactions in the ordinary course of our business, made on an arm's length basis, on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of our minority shareholders.

The RRPT to be entered into by our Group are an integral part of our business and are intended to meet our business needs at the best possible terms. Our Group should be able to examine and have access to all available markets, products and services provided by all vendors including the Related Parties. At the same time, our Group will also be able to provide products and services to customers including the Related Parties. This will enhance our Group's ability to explore mutually beneficial business opportunities.

The RRPT are likely to continue in the future on a frequent and recurrent basis from time to time. In addition, these transactions may be time-sensitive and confidential. The Proposed Renewal of Shareholders' Mandate will eliminate the need to announce and convene separate general meetings to seek your prior approval on a case by case basis before entering into such transactions and will therefore enable us to save administrative time and expenses which could be better utilised towards pursuing our corporate objectives.

4. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

4.1 Issued share capital

The Proposed Renewal of Shareholders' Mandate will not have any effect on our issued capital.

4.2 Earnings

The Proposed Renewal of Shareholders' Mandate are not expected to have any material effect on the earnings of our Group for the financial year ending 31 December 2024.

4.3 Net Asset and gearing

Based on our audited consolidated Statement of Financial Position as at 31 December 2023, the Proposed Renewal of Shareholders' Mandate are not expected to have any material effect on our consolidated net asset and gearing.

4.4 Substantial shareholders' shareholdings

The Proposed Renewal of Shareholders' Mandate will not have any effect on our substantial shareholders' shareholdings in our Company.

5. APPROVALS REQUIRED FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate are subject to your approval at our forthcoming 39th AGM.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed below, none of our Directors, Major Shareholders and/or Persons Connected to them have any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate:

- (a) Khazanah and MOF Inc., being a Major Shareholder and interested Person Connected to Major Shareholder respectively, where applicable, will abstain from voting in respect of their direct and/or indirect shareholdings on the resolutions, deliberating or approving the Proposed Shareholders' Mandate at our forthcoming AGM. Khazanah and MOF Inc., through their representative(s) on our Board, where applicable, have also undertaken to ensure that persons connected to them will also abstain from voting, in respect of their direct and/or indirect shareholdings (if any), deliberating or approving, the resolution pertaining to the Proposed Renewal of Shareholders' Mandate at our forthcoming AGM.

Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are MOF Inc.'s representatives on our Board. Dato' Mohamed Nasri Sallehuddin is Khazanah's representative on our Board. Dato' Zainal Abidin Putih is the former director of Khazanah for the preceding six (6) months.

Accordingly, Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad, Iszad Jeffri Ismail and Dato' Mohamed Nasri Sallehuddin (collectively referred to as the "Interested Directors"), where applicable, have abstained and will continue to abstain from deliberation and voting on the Proposed Renewal of Shareholders' Mandate at our relevant Board meetings.

- (b) The Interested Directors will abstain from voting in respect of their direct and/or indirect shareholdings (if any) in our Company on the resolutions for the Proposed Renewal of Shareholders' Mandate at our forthcoming AGM and have also undertaken to ensure that persons connected with them will abstain from voting, in respect of their direct and/or indirect shareholdings (if any), deliberating or approving, the resolutions pertaining to the Proposed Renewal of Shareholders' Mandate at our forthcoming AGM.

Based on our Company's Register of Substantial Shareholders and Register of Directors' Shareholdings, the direct and indirect shareholdings of the abovementioned Interested Directors and Major Shareholders in our Company as at the LPD are as follows:

Interested Parties	Direct		Indirect	
	No. of TM Shares	%	No. of TM Shares	%
Major Shareholders				
MOF Inc.	–	–	771,347,766 ⁽¹⁾	20.10
Khazanah	771,347,766	20.10	–	–
Directors				
Dato' Zainal Abidin Putih	–	–	–	–
Amar Huzaimi Md Deris	319,010	#	#	#
Datuk Dr. Shahrazat Haji Ahmad	–	–	–	–
Iszad Jeffri Ismail	–	–	–	–
(Alternate to Datuk Dr. Shahrazat Haji Ahmad)	–	–	–	–
Dato' Mohamed Nasri Sallehuddin	–	–	–	–

Notes:

⁽¹⁾ Deemed interested through Khazanah under Section 8(4) of the Act.

Less than 0.01%

7. DIRECTORS' RECOMMENDATION

Our Board (other than the Interested Directors who have abstained from expressing their opinions and recommendations), having considered all aspects of the Proposed Renewal of Shareholders' Mandate is of the view that the Proposed Renewal of Shareholders' Mandate are in the best interest of our Company.

Accordingly, our Board (other than the Interested Directors) recommends that you vote in favour of the resolutions pertaining to the Proposed Renewal of Shareholders' Mandate at our 39th AGM.

8. AGM

The ordinary resolutions in respect of the Proposed Renewal of Shareholders' Mandate will be tabled at the virtual 39th AGM of the Company. This Circular is available at tm.com.my/iar2023 together with, amongst others, the Notice of the 39th AGM, Proxy Form and Administrative Guide.

The virtual 39th AGM will be held on Thursday, 30 May 2024 at 10:00 a.m. with the Broadcast Venue at Multi-Purpose Hall (MPH), Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia.

The voting at the 39th AGM will be conducted on a poll. You are encouraged to participate and vote virtually using the Remote Participation and Electronic Voting (RPEV) facilities. For this purpose, please refer to the Administrative Guide for the 39th AGM as indicated in the Corporate Overview of the Integrated Annual Report 2023.

If you are unable to participate and vote remotely by yourself at the 39th AGM, you may appoint your proxy to participate and vote remotely on your behalf by completing and depositing the Proxy Form, in accordance with the instructions therein, to our Share Registrar's office, Boardroom Share Registrars Sdn Bhd, located at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 24 hours before the time appointed for the taking of the poll or no later than on Wednesday, 29 May 2024 at 10:00 a.m.

9. FURTHER INFORMATION

Please refer to the attached appendices of this Circular for further information.

Yours faithfully

For and on behalf of the Board of
TELEKOM MALAYSIA BERHAD

Dato' Zainal Abidin Putih
Chairman
Non-Independent Non-Executive Director

APPENDIX I

DETAILS OF THE RRPT TO BE ENTERED INTO BY OUR GROUP UNDER THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	2023 Shareholders' Mandate		Estimated Value of the Proposed Mandate ⁽²⁾ (RM '000)		
					Estimated Value (RM '000)	Actual Value ⁽¹⁾ (RM '000)			
Our Company and/or our subsidiaries	Axiata Group	<p>Interested Major Shareholder</p> <ul style="list-style-type: none"> • Khazanah <p>Interested Directors</p> <ul style="list-style-type: none"> • Dato' Zainal Abidin Puthi • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Iszad Jeffri Ismail • Dato' Mohamed Nasri Sallehuddin <p>Interested Person Connected</p> <ul style="list-style-type: none"> • MOF Inc. 	<p>Khazanah is a Major Shareholder of TM and Axiata.</p> <p>Dato' Zainal Abidin Puthi, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board.</p> <p>Dato' Zainal Abidin Puthi is also the former director of Khazanah within the preceding 6 months.</p> <p>Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.</p> <p>MOF Inc. is a Person Connected to Khazanah.</p>	<p>Revenue</p> <ul style="list-style-type: none"> - Interconnect revenue from Axiata Group. - Provision of data and bandwidth related services to Axiata Group. - Provision of contact centre and business process outsourcing services by VADS to Axiata Group. - Provision of fibre optic core, data and bandwidth services by Fiberail to Axiata Group. - Provision of fibre optic, bandwidth, space & facility by Fibrecomm to Axiata Group. <p>Cost</p> <ul style="list-style-type: none"> - Interconnect charges by Axiata Group. - Leased-line charges by Axiata Group. - Site rental for telecommunication infrastructure, equipment and related charges by Axiata Group to TM Group. 	279	229	270		
				3,950	1,611	2,953			
				22,146	15,837	15,120			
				125	97	420			
				119	101	121			
				275	5	267			
				2,568	1,190	1,388			
				52,306	33,126	64,678			
				TOTAL			81,768	52,196	85,217

Notes:

⁽¹⁾ Actual Values transacted from 1 June 2023 on which the existing Mandate was obtained up to 31 March 2024.

⁽²⁾ Estimated Value of transactions shown above represent the best estimates by our Management. Accordingly, the Actual Value transacted may vary from the estimates shown above.

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	2023 Shareholders' Mandate		Estimated Value of the Proposed Mandate ⁽²⁾ (RM '000)
					Estimated Value (RM '000)	Actual Value ⁽¹⁾ (RM '000)	
Our Company and/or our subsidiaries	TNB Group	<p>Interested Major Shareholder</p> <ul style="list-style-type: none"> • Khazanah <p>Interested Directors</p> <ul style="list-style-type: none"> • Dato' Zainal Abidin Putih • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board. • Dato' Zainal Abidin Putih is also the former director of Khazanah within the preceding 6 months. • Dato' Mohamed Nasri Sallehuddin <p>Interested Person Connected</p> <ul style="list-style-type: none"> • MOF Inc. 	<p>Khazanah is a Major Shareholder of TM and TNB.</p> <p>Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board.</p> <p>Dato' Zainal Abidin Putih is also the former director of Khazanah within the preceding 6 months.</p> <p>Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.</p> <p>MOF Inc. is a Person Connected to Khazanah.</p>	<p>Revenue</p> <ul style="list-style-type: none"> - Provision of connectivity services, ICT equipment and security surveillance devices to TNB Group. - Provision of fibre optic and bandwidth for telecommunication services to TNB Group. - Provision of digital services solution and software to TNB Group. <p>Cost</p> <ul style="list-style-type: none"> - Leasing of fibre optic from TNB Group. - Leasing of infrastructure for telecommunication services from TNB Group. 	20,523	12,382	55,447
					17,131	4,381	6,965
					51,547	0	47,517
					15,895	10,919	13,071
					9,158	6,962	8,668
TOTAL					114,254	34,644	131,668

Notes:

⁽¹⁾ Actual Values transacted from 1 June 2023 on which the existing Mandate was obtained up to 31 March 2024.

⁽²⁾ Estimated Value of transactions shown above represent the best estimates by our Management. Accordingly, the Actual Value transacted may vary from the estimates shown above.

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	2023 Shareholders' Mandate		Estimated Value of the Proposed Mandate ⁽²⁾ (RM '000)
					Estimated Value (RM '000)	Actual Value ⁽¹⁾ (RM '000)	
Our Company and/or our subsidiaries	Petronas Group	<p>Interested Directors</p> <ul style="list-style-type: none"> Dato' Zainal Abidin Putih Amar Huzaimi Md Deris Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board. Dato' Mohamed Nasri Sallehuddin <p>Interested Person Connected</p> <ul style="list-style-type: none"> MOF Inc. 	<p>Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board.</p> <p>Dato' Zainal Abidin Putih is also the former director of Khazanah within the preceding 6 months.</p> <p>Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board. Khazanah is a Major Shareholder of TM.</p> <p>MOF Inc. is a Major Shareholder of Petronas and a Person Connected to Khazanah.</p>	<p>Revenue</p> <ul style="list-style-type: none"> Provision of connectivity, customer and smart services to Petronas Group. Sales of fibre optic cables, bandwidth and ethernet services to Petronas Group. Provision of digital services solution and software to Petronas Group. <p>Cost</p> <ul style="list-style-type: none"> Payment of charges by Petronas Group on the design, supply, installation and maintenance of the Solar Power System. Right of way, cabin and reimbursement fees of Fiberall's facilities charges by Petronas Group. Purchase of fuel from Petronas Group. 	75,511	71,000	86,021
					6,269	21,748 ⁽³⁾	7,891
					29,168	559	755
					1,250	0	958
					3,655	3,241	3,733
					4,920	3,555	5,091
				TOTAL	120,773	100,103	104,449

Notes:

⁽¹⁾ Actual Values transacted from 1 June 2023 on which the existing Mandate was obtained up to 31 March 2024.

⁽²⁾ Estimated Value of transactions shown above represent the best estimates by our Management. Accordingly, the Actual Value transacted may vary from the estimates shown above.

⁽³⁾ Actual Value for the Sales of fibre optic cables, bandwidth and ethernet services to Petronas Group exceeded the Estimated Value by RM15,479,000 (approximately 246.92%) due to additional new services and one-time charges.

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	2023 Shareholders' Mandate		Estimated Value of the Proposed Mandate ⁽²⁾ (RM '000)
					Estimated Value (RM '000)	Actual Value ⁽¹⁾ (RM '000)	
Our Company and/or our subsidiaries	AMHB Group	<p>Interested Major Shareholder</p> <ul style="list-style-type: none"> • Khazanah <p>Interested Directors</p> <ul style="list-style-type: none"> • Dato' Zainal Abidin Puthi • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Iszad Jeffri Ismail • Dato' Mohamed Nasri Sallehuddin <p>Interested Person Connected</p> <ul style="list-style-type: none"> • MOF Inc. 	<p>Khazanah is a Major Shareholder of TM and AMHB.</p> <p>Dato' Zainal Abidin Puthi, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board.</p> <p>Dato' Zainal Abidin Puthi is the former director of Khazanah for the preceding six (6) months.</p> <p>Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.</p> <p>MOF Inc. is a Person Connected to Khazanah.</p>	<p>Revenue</p> <ul style="list-style-type: none"> - Provision of data, transmission and content delivery service to AMHB Group. - Provision of connectivity, customer and smart services to AMHB Group. 	124,710	80,587	132,554
					15,965	14,538	17,810
				TOTAL	140,675	95,125	150,364

Notes:

⁽¹⁾ Actual Values transacted from 1 June 2023 on which the existing Mandate was obtained up to 31 March 2024.

⁽²⁾ Estimated Value of transactions shown above represent the best estimates by our Management. Accordingly, the Actual Value transacted may vary from the estimates shown above.

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	2023 Shareholders' Mandate		Estimated Value of the Proposed Mandate ⁽²⁾ (RM '000)
					Estimated Value (RM '000)	Actual Value ⁽¹⁾ (RM '000)	
Our Company and/or our subsidiaries	CelcomDigi Group	<p>Interested Major Shareholder</p> <ul style="list-style-type: none"> • Khazanah <p>Interested Directors</p> <ul style="list-style-type: none"> • Dato' Zainal Abidin Puteh • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Iszad Jeffri Ismail • Dato' Mohamed Nasri Sallehuddin <p>Interested Person Connected</p> <ul style="list-style-type: none"> • MOF Inc. 	<p>Axiata is a Major Shareholder of CelcomDigi. Khazanah is a Person Connected to Axiata and also an indirect Major Shareholder of CelcomDigi.</p> <p>Dato' Zainal Abidin Puteh, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board.</p> <p>Dato' Zainal Abidin Puteh is the former director of Khazanah for the preceding six (6) months.</p> <p>Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.</p> <p>MOF Inc. is a Person Connected to Khazanah.</p>	<p>Revenue</p> <ul style="list-style-type: none"> - Interconnect revenue from CelcomDigi Group. - Core rental and mobile services charges to CelcomDigi Group. - Provision of fibre optic, bandwidth, space & facility by Fibrecomm to CelcomDigi Group. - Provision of fibre optic core, data and bandwidth services by Fiberail to CelcomDigi Group. - Provision of data and bandwidth related services to CelcomDigi Group. - Provision of internet access and broadband services to CelcomDigi Group. - Provision of leased-line services to CelcomDigi Group. - Site rental for telecommunication infrastructure, equipment and related charges by TM Group to CelcomDigi Group. 	17,360	8,997	14,134
					1,840	358	1,320
					1,586	323	296
					5,936	3,907	3,593
					225,555	150,724	211,553
					253	318 ⁽³⁾	374
					58,075	55,030	58,125
					41,421	38,840	39,459

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	2023 Shareholders' Mandate		Estimated Value of the Proposed Mandate ⁽²⁾ (RM '000)
					Estimated Value (RM '000)	Actual Value ⁽¹⁾ (RM '000)	
				<p>Cost</p> <ul style="list-style-type: none"> - Interconnect charges by CelcomDigi Group. - Core rental and mobile services from CelcomDigi Group to TM Group. - Domestic Roaming and Multi Operator Core Network technologies by CelcomDigi Group to TM Technology Services Sdn. Bhd. - Leased-line charges by CelcomDigi Group. - Site rental for telecommunication infrastructure, equipment and related charges by CelcomDigi Group to TM Group. - Fibre optic and leased-line charges by CelcomDigi Group to Fibrecomm. 	17,506	7,824	15,519
					10,175	5,494	10,674
					104,020	68	5,054
					2,123	597	919
					7,228	5,937	7,864
					731	1,065 ⁽⁴⁾	1,349
				TOTAL	493,809	279,482	370,233

Notes:

⁽¹⁾ Actual Values transacted from 1 June 2023 on which the existing Mandate was obtained up to 31 March 2024.

⁽²⁾ Estimated Value of transactions shown above represent the best estimates by our Management. Accordingly, the Actual Value transacted may vary from the estimates shown above.

⁽³⁾ Actual Value for the Provision of internet access and broadband services to CelcomDigi Group exceeded the Estimated Value by RM6,5000 (approximately 25.70%) due to higher revenue as a result of additional services rendered to CelcomDigi.

⁽⁴⁾ Actual Value for the Fibre optic and leased-line charges by CelcomDigi Group to Fibrecomm exceeded the Estimated Value by RM334,000 (approximately 45.70%) due to the extension of the contract on a monthly basis.

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	2023 Shareholders' Mandate		Estimated Value of the Proposed Mandate ⁽²⁾ (RM '000)
					Estimated Value (RM '000)	Actual Value ⁽¹⁾ (RM '000)	
Our Company and/or our subsidiaries	DNB	<p>Interested Directors</p> <ul style="list-style-type: none"> Dato' Zainal Abidin Putih Amar Huzaimi Md Deris Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board. Dato' Zainal Abidin Putih is also the former director of Khazanah within the preceding 6 months. <p>Interested Person Connected</p> <ul style="list-style-type: none"> MOF Inc. 	<p>Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Iszad Jeffri Ismail are nominee directors of MOF Inc. on TM Board.</p> <p>Dato' Zainal Abidin Putih is also the former director of Khazanah within the preceding 6 months.</p> <p>Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.</p> <p>MOF Inc. is the holding company of DNB and a Person Connected to Khazanah.</p>	<p>Revenue</p> <ul style="list-style-type: none"> Provision of connectivity, customer and smart services to DNB. Provision of 5G connectivity and its core network comprising the leasing of fiber, site, data center, edge facilities and other related transmission services to DNB. <p>Cost</p> <ul style="list-style-type: none"> Subscription to DNB 5G Access Network. Site rental for telecommunication infrastructure, equipments and related charges by DNB to TM Group. 	451	422	716
					222,653	168,558	249,355
					305,000	5,543	261,768
					7,021	0	0
				TOTAL	535,125	174,523	511,839

Notes:

⁽¹⁾ Actual Values transacted from 1 June 2023 on which the existing Mandate was obtained up to 31 March 2024.

⁽²⁾ Estimated Value of transactions shown above represent the best estimates by our Management. Accordingly, the Actual Value transacted may vary from the estimates shown above.

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

Our Directors have seen and approved this Circular and they collectively and individually accept full responsibility for the accuracy of the information in this Circular. They confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts which, if omitted, would make any statement in this Circular misleading.

2. MATERIAL CONTRACTS

Save as disclosed below, there are no other material contracts (not being contract entered into in the ordinary course of business) which have been entered into by our Group within the past two (2) years preceding the date of this Circular:

- (i) Share Subscription Agreement dated 1 December 2023 between our Company, MOF Inc. and DNB to subscribe for ordinary share in DNB. DNB's principal activity is to own, build and operate a 5G network and infrastructure exclusively and to provide access to its network to licensed telecommunications service providers in Malaysia.

3. MATERIAL LITIGATION

Save as disclosed below, as at the LPD, neither we nor our subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on our financial position or business of our Group and our Board is not aware of any proceedings, pending or threatened against our Group, or of any facts likely to give rise to any proceedings which may materially affect our financial position or business of our Group:

3.1 In the Matter of Arbitration Between Vodoke Pte Ltd (VPL) and TM Technology Services Sdn Bhd (TM Tech) [Substitution of Telekom Malaysia Berhad (TM)]

On 27 January 2023, the High Court of Singapore dismissed VPL's application to set aside the Arbitral Award on liability dated 6 July 2022 with a cost of SGD25,000.00, thereby preserving the Award in TM's favour. On 6 February 2023, TM received the Final Award on Damages and Costs dated 3 February 2023 from the Arbitral Tribunal, as follows:

- (a) VPL is to pay TM damages and loss in the sum of USD3,086,383.98;
- (b) VPL is to pay TM interest on the said sum of USD3,086,383.98 awarded on damages at the rate of 5.33% per annum from the date of the Final Award until full settlement by VPL of the said sum;
- (c) VPL is to bear the costs of the arbitration of SGD318,209.11;
- (d) VPL is to pay TM the following legal and other costs:
 - (i) The sums of RM1,074,190.15 and SGD339,785.18 as legal representation costs of TM;
 - (ii) SGD2,000.00 as SIAC Filing Fees; and
 - (iii) SGD23,717.00 as Costs of Transcription Services incurred.

Following the Vesting Order granted by the Kuala Lumpur High Court on 21 February 2023 in Originating Summons No. WA-24NCC-15-01/2022, TM has been substituted with TM Tech, with effect from 1 March 2023. TM Tech is a wholly-owned subsidiary of TM. The next process for the legal proceedings will be proceeded by TM Tech.

On 7 August 2023, TM Tech filed a winding-up petition against VPL at the High Court of Singapore following VPL's failure to respond to TM Tech's Statutory Demand dated 30 March 2023.

On 8 September 2023, the High Court of Singapore ordered VPL to be wound up and liquidators were appointed to evaluate VPL's assets. The liquidators are in the process of preparing a liquidator's report that will be shared with both TM Tech and VPL once the report is finalised.

TM shall make further announcements if there are any material development in respect of this matter.

3.2 In the Matter of Arbitration Between MYTV Broadcasting Sdn Bhd (MYTV) (Company No. 201001013318) and TM Technology Services Sdn. Bhd. (TM Tech)

TM received a Statement of Claim dated 10 February 2023 from MYTV seeking for the following reliefs from TM:

- (a) Declaratory relief that TM is not entitled to be paid the amount of RM91,714,254.47 or any amounts claimed by it to be due and owing by MYTV in respect of the Dispute;
- (b) A declaration that the provisions and the pricing stipulated under the Mandatory Standard on Access Pricing (MSAP) determined pursuant to sections 55, 56, 104(2) and 106 of the Communications and Multimedia Act 1998 from time to time applied and continues to apply to the Service Agreement;
- (c) A declaration that all sums invoiced by TM should have complied or conformed with the applicable MSAP at the relevant time and an order that such sums paid by MYTV to TM in excess of the stipulated applicable rates under the MSAP be refunded by TM to MYTV;
- (d) Declaration that the said sum of RM38 million paid by MYTV to TM under the Professional Consultancy Agreement be taken into account by TM as payment towards the total outstanding invoices issued by TM to MYTV under the Service Agreement;
- (e) Declaration that none of the payments made by MYTV in respect of invoices after 2017 or any part thereof should have been applied to any of the invoices for 2016 and 2017;
- (f) Declaration that the invoices for 2016 and 2017 totalling RM19,734,063.13 were wrongly issued, invalid and null and void;
- (g) Declaration that no sum, or any part thereof, under TM's invoice No. 9000420465 dated 4 March 2020 totalling RM13,540,960.22 or any part thereof is due or owing by MYTV to TM under the Service Agreement or otherwise in respect of 16 unused Digital Terrestrial Television (DTT) sites;
- (h) Declaratory relief that TM has fundamentally breached the Service Agreement and/or was negligent in failing to provide a Completely Redundant 1+1 Network Configuration to MYTV;
- (i) Special damages of RM42,812,314.00 and/or general damages to be assessed resulting from TM's failure to provide Completely Redundant 1+1 Network Configuration for 14 DTT sites;
- (j) Special damages of RM64,016,049.00 and/or general damages to be assessed resulting from TM's failure to provide Completely Redundant 1+1 Network Configuration for 11 DTT sites;
- (k) RM3,270,107.83 as liquidated ascertained damages for late delivery by TM for 14 DTT sites;
- (l) A declaration that a sum of RM7,168,736.43 per annum ought to be deducted from the invoices rendered to MYTV under the Service Agreement as reduction or discount in respect of 16 DTT sites;
- (m) Special damages of RM167,781,558.00 as at 31 December 2022 and a sum of RM28,061,647.00 per annum from 1 January 2023 to the date of the award and/or general damages to be assessed in respect of the failure, refusal and/or neglect by TM to make available Metro-Ethernet Network (Metro-E) to MYTV;
- (n) Special damages of a sum of RM7,188,000.00 and/or general damages to be assessed for MYTV's losses arising from TM's breach of the Service Agreement and/or negligence and/or breach of duty of care in relation to failures at 5 DTT sites; and
- (o) Pre and post award interest, and/or declarations and/or specific reliefs orders, as may be necessary, appropriate or just in the circumstances.

Following the Vesting Order granted by the Kuala Lumpur High Court on 21 February 2023 in Originating Summons No. WA-24NCC-15-01/2022, TM has been substituted with TM Tech as respondent in the arbitration, with effect from 1 March 2023.

TM Tech filed a Statement of Defence and Counterclaim dated 10 May 2023 at Asian International Arbitration Centre (AIAC) to seek the following reliefs from MYTV:

- (a) RM84,018,254.52, being the outstanding Service Charges due and owing by MYTV under the Service Agreement as of 30 April 2023;
- (b) RM13,540,960.20, being the wasted costs and expenditure incurred by the company in relation to the 16 Affected Sites;
- (c) RM15,623,156.41, being the Late Payment Charges due and owing by MYTV under the Service Agreement as of 30 April 2023;
- (d) Such other sums as may be due and owing by MYTV to the company under the Service Agreement as of the date of the Award, or such other date which the Arbitral Tribunal deems fit; and
- (e) Pre and post award Interest, costs of and incidental to this arbitration; and such further or other relief that the Arbitral Tribunal deems fit.

On 10 August 2023, TM Tech received a Reply and Defence to Counterclaim from MYTV. TM Tech filed its Reply to MYTV's Defence to TM Tech's Counterclaim at the AIAC on 10 October 2023.

The Parties are required to file its Bundle of Documents by 15 April 2024.

The Board of Directors, based on legal advice, are of the view that TM Tech has a reasonably good prospect of success in dismissing the claim.

TM shall make further announcements if there are any material development in respect of this matter.

4. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at our registered office at Level 51, North Wing, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia during office hours on Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of our 39th AGM:

- (a) our Constitution;
- (b) our audited consolidated financial statements for the past two (2) financial years ended 31 December 2022 and 31 December 2023;
- (c) material contract referred to in Section 2 above; and
- (d) the relevant cause papers relating to the material litigation referred to in Section 3 above.