



TELEKOM MALAYSIA BERHAD

(Company No. 128740-P)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting (“EGM”) of Telekom Malaysia Berhad (“TM” or “Company”) will be held at Multi Purpose Hall, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia on Thursday, 7 May 2009 at 11.30 a.m., or upon conclusion of the 24th Annual General Meeting of the Company which will be held at the same venue and on the same day at 10.00 a.m., whichever is later, or at any adjournment, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

SPECIAL RESOLUTION 1

PROPOSED INCREASE IN THE COMPANY’S AUTHORISED SHARE CAPITAL AND CORRESPONDING AMENDMENTS TO THE COMPANY’S MEMORANDUM AND ARTICLES OF ASSOCIATION (“PROPOSED IASC”)

“**THAT**, subject to the passing of Special Resolution 2 and all requisite approvals being obtained from the relevant authorities or persons being granted in respect of Special Resolution 1, approval be and is hereby given for the Company to increase the authorised share capital of the Company from its present authorised share capital of RM5,000,003,021 comprising:

- (a) 5,000,000,000 ordinary shares of RM1.00 each;
- (b) 1 Special Rights Redeemable Preference Share of RM1.00;
- (c) 1,000 Class A redeemable preference shares of RM0.01 each;
- (d) 1,000 Class B redeemable preference shares of RM0.01 each;
- (e) 2,000 Class C non-convertible redeemable preference shares of RM1.00 each; and
- (f) 1,000 Class D non-convertible redeemable preference shares of RM1.00 each,

to RM5,040,003,021 comprising:

- (a) 5,000,000,000 ordinary shares of RM1.00 each;
- (b) 1 Special Rights Redeemable Preference Share of RM1.00;
- (c) 1,000 Class A redeemable preference shares of RM0.01 each;
- (d) 1,000 Class B redeemable preference shares of RM0.01 each;
- (e) 2,000 Class C non-convertible redeemable preference shares of RM1.00 each;
- (f) 1,000 Class D non-convertible redeemable preference shares of RM1.00 each; and
- (g) 4,000,000,000 Class E redeemable preference shares of RM0.01 each; and,

that Clause 5 of the Memorandum of Association of the Company and Article 7 of the Articles of Association of the Company be amended accordingly as set out in Appendix I of the Company’s Circular to Shareholders dated 13 April 2009;

AND THAT, the Board of Directors of the Company be and is hereby empowered and authorised to do or procure to be done all acts, deeds and things and execute, sign and deliver on behalf of the Company, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed IASC, with full powers to assent to any conditions, modifications, variations and/or amendments as the Board of Directors of the Company may deem fit and/or as may be required by any relevant authorities in connection with the Proposed IASC.”

SPECIAL RESOLUTION 2

PROPOSED CAPITAL REPAYMENT OF APPROXIMATELY RM3,505.8 MILLION TO SHAREHOLDERS (“PROPOSED CAPITAL REPAYMENT”)

“**THAT**, subject to the passing of Special Resolution 1, approval be and is hereby given for the Company to allot and issue up to 3,577,401,980 Class E redeemable preference shares of RM0.01 each in the Company (“RPS”) and, subject to and conditional upon the approvals of all relevant authorities being obtained, approval be and is hereby given for the Proposed Capital Repayment, which involves the following:

- (i) a bonus issue of 3,577,401,980 RPS to the shareholders of the Company, on the basis of 1 RPS for each ordinary share of RM1.00 each in TM (“TM Share”) held as at a book closing date to be determined later by the Board of Directors of the Company in its absolute discretion, at the par value of the RPS of RM0.01 by way of capitalisation of the Company’s share premium account; and
- (ii) the redemption of the RPS at a cash redemption price of RM0.98 for each RPS, totaling approximately RM3,505.8 million to the Company’s shareholders. The par value of RM0.01 per RPS, representing a total of approximately RM35.8 million, will be redeemed out of the Company’s retained earnings, whereas the premium on redemption of RM0.97 for each RPS, representing a total of approximately RM3,470.0 million, will be redeemed out of the Company’s share premium account,

PROVIDED THAT no RPS will be credited into the individual securities accounts of the shareholders of the Company and in any case, no physical share certificates will be issued and that the bonus issue of RPS to be so allotted and issued shall, upon allotment and issue, rank equally amongst themselves in all respects and the bonus issue of the RPS shall be dealt with only in accordance with the terms of this Special Resolution 2 and the terms of the Proposed Capital Repayment and the RPS as more particularly described in the Company’s Circular to Shareholders dated 13 April 2009;

AND THAT, the Board of Directors of the Company be and is hereby empowered and authorised to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company and any of its subsidiaries, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Capital Repayment, with full powers to assent to any conditions, modifications, variations and/or amendments as the Board of Directors of the Company may deem fit and/or as may be imposed by any relevant authorities in connection with the Proposed Capital Repayment.”

ORDINARY RESOLUTION 1

PROPOSED EXTENSION OF THE DURATION OF THE EXERCISE PERIOD OF THE COMPANY’S EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) BY AN ADDITIONAL YEAR AND CORRESPONDING AMENDMENTS TO THE BY-LAWS GOVERNING THE COMPANY’S ESOS (“PROPOSED ESOS EXTENSION”)

“**THAT**, subject to the approvals of all relevant authorities being obtained, approval be and is hereby given for the Company to:

- (i) extend the duration of the Company’s ESOS upon its expiry for an additional 1 year until 16 September 2010 with respect to ordinary shares of RM1.00 each in both the Company and Axiata Group Berhad (*formerly known as TM International Berhad*) comprised in the granted and unallocated options with respect to eligible employees and Executive Directors of the Company and its eligible subsidiaries under the Company’s ESOS; and
- (ii) adopt the proposed amendments to the existing By-Laws governing the Company’s ESOS (“By-Laws”) as set out in Appendix II of the Company’s Circular to Shareholders dated 13 April 2009;

AND THAT, the Board of Directors of the Company be and is hereby empowered and authorised to do or procure to be done all acts, deeds and things and to execute, sign and deliver on behalf of the Company and any of its subsidiaries, all such documents as it may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed ESOS Extension, with full powers to assent to any conditions, modifications, variations and/or amendments as the Board of Directors of the Company may deem fit and/or as may be required by any relevant authorities, including but not limited to, amendments to the existing By-Laws, Trust Deed dated 17 March 2008, Power of Attorney dated 17 March 2008 and Loan Agreement dated 17 March 2008, in relation to the Company's ESOS."

ORDINARY RESOLUTION 2

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

"**THAT**, in accordance with paragraph 10.09 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Appendix IV of the Company's Circular to Shareholders dated 13 April 2009, which are necessary for the day-to-day operations **PROVIDED THAT** such transactions are entered into in the ordinary course of business of the Company and/or its subsidiaries, are carried out on an arm's length basis, on terms not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company;

THAT such approval shall continue to be in full force and effect until:

- (i) the conclusion of the next annual general meeting of the Company at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;
- (ii) the expiration of the period within which the Company's next annual general meeting is required to be held under Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed under Section 143(2) of the Companies Act, 1965); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier;

AND THAT, the Board of Directors of the Company be and is hereby empowered and authorised to do or procure to be done all such acts, deeds and things (including executing such documents under the common seal in accordance with the provisions of the Articles of Association of the Company, as may be required) to give effect to the Proposed Renewal of Shareholders' Mandate."

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article 74(3)(a) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("SICDA") to issue a General Meeting Record of Depositors ("ROD") as at 28 April 2009. Only a depositor whose name appears on the Company's Register of Members or ROD as at 28 April 2009 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

BY ORDER OF THE BOARD

Wang Cheng Yong (MAICSA 0777702)
Zaiton Ahmad (MAICSA 7011681)
Secretaries

Kuala Lumpur, Malaysia
13 April 2009

Notes:

1. *A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*
2. *A Member shall not be entitled to appoint more than two (2) proxies to attend and vote at the Meeting provided that where a Member of the Company is an authorised nominee as defined in accordance with the provisions of the SICDA, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares in the Company standing to the credit of the said securities account.*
3. *Where a Member appoints two (2) proxies, the appointments shall be invalid unless the proportion of the holding to be represented by each proxy is specified.*
4. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly appointed under a power of attorney or if such appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a power of attorney. If the Proxy Form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under an Authorisation Document which is still in force, no notice of revocation has been received". If the Proxy Form is signed under the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading "signed under a Power of Attorney which is still in force, no notice of revocation has been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with the Proxy Form.*
5. *A corporation which is a Member, may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting, in accordance with Article 92 of the Company's Articles of Association.*
6. *The instrument appointing the proxy together with the duly registered power of attorney referred to in Note 4 above, if any, must be deposited at the office of the Share Registrars, Tenaga Koperat Sdn Bhd, at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, not less than 48 hours before the time appointed for holding of the Meeting or any adjournment thereof.*