



**TELEKOM MALAYSIA BERHAD**  
(Company No. 128740-P)  
(Incorporated in Malaysia)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Thirty-fourth Annual General Meeting (34<sup>th</sup> AGM) of Telekom Malaysia Berhad ("TM" or "the Company") will be held at the Kristal Hall, TM Convention Centre, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia on Wednesday, 29 May 2019 at 10:00 a.m. to transact the following businesses, with or without modifications:

- 1.0 To receive the Audited Financial Statements for the financial year ended 31 December 2018 together with the Reports of the Directors and Auditors thereon.  
*Please refer to Explanatory Note A*
- 2.0 To re-elect the following Directors, who retire by rotation pursuant to Clause 106(2) of the Company's Constitution and being eligible, offer themselves for re-election:
 

|                                   |                                |
|-----------------------------------|--------------------------------|
| (i) Rosli Man                     | <b>(Ordinary Resolution 1)</b> |
| (ii) Dato' Asri Hamidin @ Hamidon | <b>(Ordinary Resolution 2)</b> |
| (iii) Dr Farid Mohamed Sani       | <b>(Ordinary Resolution 3)</b> |
| (iv) Dato' Mohd Naim Daruwish     | <b>(Ordinary Resolution 4)</b> |
| (v) Hisham Zainal Mokhtar         | <b>(Ordinary Resolution 5)</b> |
| (vi) Suhendran Sockanathan        | <b>(Ordinary Resolution 6)</b> |

  
*Please refer to Explanatory Note B*
- 3.0 Re-election of Gee Siew Yoong who retires pursuant to Clause 112 of the Company's Constitution and being eligible, offers herself for re-election.  
*Please refer to Explanatory Note C* **(Ordinary Resolution 7)**
- 4.0 To approve the payment of the following Directors' fees with effect from the 34<sup>th</sup> AGM until the next AGM of the Company:
 

|   |  |
|---|--|
| (i) RM30,000 per month for the Non-Executive Chairman (NEC), RM22,250 per month for Senior Independent Director (SID) and RM20,000 per month for each Non-Executive Director (NED); and |  |
| (ii) RM15,000 per month and RM10,000 per month for NEC and NEDs respectively, of Tier 1 subsidiaries.   |  |

  
*Please refer to Explanatory Note D* **(Ordinary Resolution 8)**
- 5.0 To approve the payment of benefits payable to NEC and NEDs of the Company up to an amount of RM2,350,000 from the 34<sup>th</sup> AGM until the next AGM of the Company.  
*Please refer to Explanatory Note E* **(Ordinary Resolution 9)**
- 6.0 To re-appoint PricewaterhouseCoopers PLT (PwC), having consented to act as Auditors of the Company, for the financial year ending 31 December 2019 and to authorise the Board of Directors to determine their remuneration.  
*Please refer to Explanatory Note F* **(Ordinary Resolution 10)**
- 7.0 To consider and if thought fit, to pass the following resolutions:
  - 7.1 **Proposed Renewal of the Authority for Directors to Allot and Issue Shares pursuant to Section 75 of the Companies Act, 2016 (CA 2016)**  
**THAT** subject always to the CA 2016, the Constitution of the Company and the approvals of the relevant government and/or regulatory authorities, where such approval is necessary, authority be and is hereby given to the Directors to issue and allot shares in the capital of the Company pursuant to Section 75 of the CA 2016, to any person other than a Director or major shareholder of the Company or person connected with any Director or major shareholder of the Company, at any time until the conclusion of the next annual general meeting, in such number and to such person and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the number of shares of the Company for the time being; **AND THAT** the Board of Directors be and is also empowered to obtain the approval from Bursa Malaysia Securities Berhad (Bursa Securities) for the listing of and quotation for the additional shares so issued; **AND FURTHER THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next annual general meeting of the Company.  
*Please refer to Explanatory Note G* **(Ordinary Resolution 11)**
  - 7.2 **Proposed Renewal of the Authority for Directors to Allot and Issue New Ordinary Shares in the Company (TM Shares) in relation to the Dividend Reinvestment Scheme (DRS)**  
**THAT** pursuant to the DRS approved at the Extraordinary General Meeting held on 8 May 2014, approval be and is hereby given to the Company to allot and issue such number of new TM Shares for the DRS until the conclusion of the next annual general meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new TM Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price (VWAMP) of TM Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of TM Shares at the material time;

**AND THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company.  
*Please refer to Explanatory Note H* **(Ordinary Resolution 12)**

- 7.3 **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 Main Market Listing Requirements (Main LR) 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 I of the Company's Circular to Shareholders dated 25 April 2019 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 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 340(2) of the Companies Act, 2016 (CA 2016) (but shall not extend to such extension as may be allowed under Section 340(4) of the CA 2016); or
  - (iii) revoked or varied by resolution passed by the shareholders of the Company at a general meeting, whichever is the 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 acts, deeds and things (including executing such documents under the common seal in accordance with the provisions of the Constitution of the Company, as may be required) to give effect to the Proposed Renewal of Shareholders' Mandate.  
*Please refer to Explanatory Note I* **(Ordinary Resolution 13)**

- 7.4 **Proposed Grant to Mohd Azizi Rosli, Manager of the Company, a Person Connected pursuant to the existing Long-Term Incentive Plan (LTIP) of the Company**  
**THAT** pursuant to the LTIP of up to ten percent (10%) of the issued ordinary capital of the Company (excluding Treasury Shares, if any) for eligible employees and Executive Directors of the Company and its subsidiaries, as approved by the shareholders at the Extraordinary General Meeting held on 28 April 2016, the Board (save for Rosli Man) be and is hereby authorised, at any time and from time to time during the duration of the LTIP, to procure the allocation and grants to Mohd Azizi Rosli of up to the remaining of the 40,000 new ordinary shares in the Company (TM Shares) allocated under the LTIP for him, subject to the vesting conditions and such other terms and conditions of the By-Laws for the LTIP;  
**AND THAT** the Board of Directors be and is hereby authorised to allot and issue new TM Shares pursuant to the LTIP to him from time to time pursuant to the vesting of his grant.  
*Please refer to Explanatory Note J* **(Ordinary Resolution 14)**

- 8.0 To transact any other business for which due notice has been given in accordance with Section 340(1) of the CA 2016 and the Company's Constitution.

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a Member who shall be entitled to attend, speak and vote at this 34<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd (Bursa Depository) in accordance with Clause 80(3)(a) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA) to issue a General Meeting Record of Depositors (ROD) as at 21 May 2019. Only a depositor whose name appears on the ROD as at 21 May 2019 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.

### By Order of the Board

**Hamidah binti Abidin**  
(LS0007096) (Practicing Certificate No.: 201908001071)  
**Zaiton binti Ahmad**  
(MAICSA 7011681)  
Secretaries

Kuala Lumpur  
25 April 2019

### NOTES: Proxy and/or Authorised Representatives

1. A Member entitled to attend, speak and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy or representative may but need not be a Member of the Company. A Member may appoint any person to be his/her proxy without restriction to the proxy's qualification.
2. A Member shall not be entitled to appoint more than two (2) proxies to attend, speak 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 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. Where a Member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (omnibus account), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
3. Where a Member appoints two (2) proxies, the appointments shall be invalid unless the proportions of the holdings to be represented by each proxy are specified.
4. The instrument appointing a proxy shall be in writing under the hand of the appointor 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, and 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, and 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 authorises such person as it thinks fit to act as its representative at the Meeting, in accordance with Clause 100 of the Company's Constitution.
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, Beardroom Share Registrars Sdn Bhd (378993-D) (formerly known as Symphony Share Registrars Sdn Bhd), located at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor, Malaysia not less than 24 hours before the time appointed for the taking of the poll or no later than on 28 May 2019 at 12:00 noon.  
The Share Registrars will also provide a box at the ground floor of its office building to facilitate drop-off of the proxy forms.
7. **Explanatory Note A**  
The Audited Financial Statements are laid before the shareholders pursuant to the provisions of Sections 266(1)(a) and 340(1)(a) of the CA 2016 for discussion only and will not be put forward for voting.
8. **Explanatory Notes B and C**  
Clause 106(2) of the Company's Constitution provides that any Director appointed shall hold office only until the next AGM and shall then be eligible for re-election. The said Director shall not be taken into account in determining the Directors who are to retire by rotation at the AGM. Rosli Man, Dato' Asri Hamidin @ Hamidon, Dr Farid Mohamed Sani, Dato' Mohd Naim Daruwish, Hisham Zainal Mokhtar and Suhendran Sockanathan (also known as Saheeran Suhendran) who were appointed since the last AGM are standing for re-election as Directors of the Company. The Directors being eligible for re-election, have consented to be re-elected as Directors of the Company. The Nomination and Remuneration Committee (NRC) and Board recommended the re-election of the said Directors.  
Clause 112 of the Company's Constitution provides that all Directors shall retire from office once at least every three (3) years, but shall be eligible for re-election. At every AGM of the Company, one third of the Directors of the Company for the time being or if not a multiple of three, nearest to one third, shall retire by rotation. The election of which Director to retire is in accordance with Clause 113 of the Company's Constitution, whereby the Director selected shall be the one that has been longest in office since his/her last re-election. At this AGM, one of four (4) Directors is eligible to retire in accordance with Clause 112 of the Company's Constitution. Gee Siew Yoong being the longest in office since her last retirement is standing for re-election as Director and being eligible has consented to be re-elected as Director of the Company. The NRC and the Board (save for the Interested Director) are of the opinion that there is conflict of interest in view of her position as a director in a company which is a licensee of the Malaysian Communications and Multimedia Commission (MCMC), and is directly competing with TM and hence, do not recommend her re-election as Director.

The profiles of Directors seeking re-elections are set out in the Profile of Directors' section on pages 102 to 106 of the 2018 Integrated Annual Report.

9. **Explanatory Notes D and E**  
Section 230(1) of CA 2016 provides amongst others, that "fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for the payment of fees and benefits payable to NEC and NEDs, in two (2) separate resolutions as follows:
  - (i) Ordinary Resolution 8 on the payment of Directors' fees for the Company and Tier 1 Subsidiaries from the date of the 34<sup>th</sup> AGM until the next AGM.  
The Board of Directors is recommending the Directors' fees for the Company and Tier 1 Subsidiaries as approved at the previous 33<sup>rd</sup> AGM of the Company, for shareholders' approval. There is no revision to the amount proposed.
  - (ii) Ordinary Resolution 9 on the payment of benefits payable to the NEC and NEDs from the 34<sup>th</sup> AGM until the next AGM.

The existing Benefits Payable applicable to NEC and NEDs comprise meeting fees, emoluments and claimable benefits as stipulated below:

#### (a) Meeting fee structure for Board and Board Committees:

|          | TM Board (RM) | Board Audit Committee (RM) | Nomination & Remuneration Committee (RM) | Board Tender Committee (RM) | Board Risk Committee (RM) | Board Investment Committee (RM) | LTIP Committee (RM) |
|----------|---------------|----------------------------|--|-----------------------------|---------------------------|---------------------------------|---------------------|
| Chairman | 3,500         | 3,250                      | 2,500                                    | 3,250                       | 2,500                     | 2,500                           | 2,500               |
| NED      | 3,000         | 2,500                      | 2,000                                    | 2,500                       | 2,000                     | 2,000                           | 2,000               |

- (b) Pursuant to the Subsidiaries' Board Remuneration Framework (SRF), NEC and NEDs appointed on the boards of TM subsidiaries are entitled to the following meeting fees:

| Category of TM Subsidiaries | NEC              | NED              | Committee Fee             |                         |
|-----------------------------|------------------|------------------|---------------------------|-------------------------|
|                             | Meeting Fee (RM) | Meeting Fee (RM) | Chairman Meeting Fee (RM) | Member Meeting Fee (RM) |
| Tier 1                      | 1,500            | 1,000            | 500                       | 300                     |
| Tier 2                      | 1,500            | 1,000            | Nil                       | Nil                     |

- (c) Customary benefits such as claimable benefits on annual overseas business development trips, leave passage, business equipment, telecommunication bills, insurance and medical coverage.

In determining the estimated amount of benefits payable for the NEC and NEDs, various factors, including the number of scheduled meetings for the Board, Board Committees and boards of subsidiaries as well as the number of NEDs involved in these meetings were considered. As there is no change to the prevalent benefits payable, the Board is recommending an estimated total amount of RM2,350,000 as per the previous AGM.

Subject to the shareholders' approval for Ordinary Resolutions 8 and 9, the payment for the fees and benefits for the period commencing from the 34<sup>th</sup> AGM until next AGM will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred. The Board opined that the payments to the NEC and NEDs are just and equitable taking into account their roles and responsibilities towards the Group and the services that they have rendered to the Company and its subsidiaries.

NEDs who are shareholders of the Company will abstain from voting on the aforesaid resolutions at the 34<sup>th</sup> AGM.

10. **Explanatory Note F**  
The Board Audit Committee (BAC) and the Board at their Meetings on 20 February 2019 and 26 February 2019 respectively have considered the re-appointment of PwC as Auditors of the Company and collectively agreed that PwC has met the relevant criteria as prescribed under Paragraph 15.21 of the Main LR of Bursa Securities.
11. **Explanatory Note G**  
The Company has not issued any new shares since the mandate to issue and allot shares of up to 10% of the issued and paid-up capital of the Company was approved at the 33<sup>rd</sup> AGM held on 26 April 2018. According to Section 76(3)(a) of the CA 2016, the mandate shall expire at the conclusion of the 34<sup>th</sup> AGM.

Ordinary Resolution 11 is a proposal to renew the said mandate obtained from the shareholders of the Company at the last AGM to allow the issuance and allotment of new shares in the Company of up to an amount not exceeding 10% of the number of shares of the Company for such purposes as the Directors may deem fit and in the best interest of the Company including for any possible fund raising activities for the Company's working capital requirements and strategic investments.

This resolution if approved, will give the Company and its Directors the mandate and flexibility to issue and allot new shares in the Company for possible fund raising activities without the need to seek shareholders' approval via a general meeting subsequent to this 34<sup>th</sup> AGM, which may delay the capital raising initiatives and incur relevant cost in organising the general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will be valid until the next AGM of the Company.

12. **Explanatory Note H**  
Ordinary Resolution 12 is for the proposed renewal of the authority for Directors to allot and issue new ordinary shares in the Company in respect of dividends to be declared, if any, under the DRS, until the conclusion of the next AGM.
13. **Explanatory Note I**  
Ordinary Resolution 13, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and are on normal commercial terms not more favourable to the related parties than those generally available to the public and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from the shareholders of the Company at a general meeting.
14. **Explanatory Note J**  
TM shareholders at the Extraordinary General Meeting held on 28 April 2016 has approved the allocation of TM Shares under the LTIP to TM employees and Executive Directors of the Company.  
Paragraph 6.06 of the Main LR, provides that any allocation to a director or person connected to the director (Person Connected) requires prior approval from the shareholders.

Mohd Azizi Rosli, a Manager of the Company is an Eligible Employee as prescribed in the LTIP By-Laws, and thus is eligible to be awarded the grant under the LTIP. As the son of Rosli Man, the Non-Independent Non-Executive Chairman of the Company, he is a Person Connected. Being a Person Connected, any future grants of TM Shares under the LTIP to Mohd Azizi Rosli shall require shareholders' approval prior to the grants.

The proposed grant amount of 40,000 of TM Shares is the maximum number of TM Shares that may be granted to Mohd Azizi Rosli. As he was an employee of the Company prior to the appointment of the Director concerned, he has already been granted specified number of TM Shares based on his job grade in 2017. The shareholders' approval sought at this AGM is for future LTIP grant for the remaining of the maximum 40,000 TM Shares that may be granted by the Company to Mohd Azizi Rosli.

Rosli Man and person connected to him will abstain from voting on the resolution, and he has also abstained from all deliberation and voting on this resolution at the Board of Directors' Meeting.

The NRC and the Board (save for Rosli Man) have deliberated on the proposal and agreed that the proposed maximum allowable grant is in line with the provisions of the LTIP By-Laws.