



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, 6 March 2008 at 10.00 a.m., or at any adjournment, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED INTERNAL RESTRUCTURING OF TM GROUP OF COMPANIES (“TM GROUP”) (“PROPOSED INTERNAL RESTRUCTURING”)

THAT, subject to and conditional upon the approvals of all relevant authorities being obtained, and subject further to and conditional upon **Ordinary Resolution 2** and **Ordinary Resolution 3** being passed, approval be and is hereby given for the Proposed Internal Restructuring based on the terms set out in the Demerger Agreement dated 10 December 2007 (“**Demerger Agreement**”), which involves the following transactions:

- (i) Celcom Transmission (M) Sdn Bhd, a wholly-owned subsidiary of Celcom (Malaysia) Berhad (“**Celcom**”), transferring its entire holding of 38,250,000 ordinary shares of RM1.00 each in Fibrecomm Network (M) Sdn Bhd (“**Fibrecomm**”), representing 51% of the issued and paid-up share capital of Fibrecomm, to Telekom Enterprise Sdn Bhd (“**TESB**”) for a consideration of RM33 million;
- (ii) TESB, a wholly-owned subsidiary of the Company, transferring its entire holding of 1,237,534,681 ordinary shares of RM1.00 each in Celcom, representing 100% of the issued and paid-up share capital of Celcom, to TM International Berhad (“**TM International**”) for a consideration of RM4,677 million;
- (iii) the Company transferring its entire holding of 37,433,992 redeemable convertible preference shares of United States of America Dollar (“**USD**”) 0.01 each in SunShare Investments Ltd (“**SunShare**”), representing approximately 51% of the issued and paid-up share capital of SunShare, to TM International for a consideration of RM141 million; and
- (iv) settlement of net amount owing as at 30 November 2007 of RM3,041 million by the Proposed TM International Group (being TM International and its subsidiaries upon completion of the Proposed Internal Restructuring) to the Proposed TM Group (being TM and its subsidiaries upon completion of the proposed demerger of the TM Group comprising the Proposed Internal Restructuring and Proposed Distribution (as defined in Ordinary Resolution 2 below) (“**Proposed Demerger**”)),

whereby the net consideration of RM7,826 million will be satisfied as follows:

- (i) RM3,801 million shall be satisfied through the issuance of such number of new ordinary shares of RM1.00 each in TM International ("**TM International Shares**") by TM International in favour of the Company or its nominee(s) at an issue price to be determined such that the enlarged number of TM International Shares (after the Proposed Demerger) is the same as the number of ordinary shares of RM1.00 each in TM ("**TM Shares**") in issue as at a date (to be determined and announced later) on which TM's shareholders must be registered in TM's Register of Members or Record of Depositors as at 5.00 p.m. in order to participate in the Proposed Distribution ("**Entitlement Date**");
- (ii) RM2,925 million shall be satisfied by way of an amount owing from TM International to the Company at a finance cost of 5.90% per annum; and
- (iii) RM1,100 million shall be satisfied by way of an amount owing from TM International to the Company at a finance cost of 6.72% per annum.

In addition, as part of the Proposed Internal Restructuring, the Company proposes to transfer the 3G Spectrum Assignment to Celcom on an 'as is where is basis' for a cash consideration of RM40.1 million.

The 3G Spectrum Assignment refers to the Spectrum Assignment No. SA/01/2003 granted to the Company dated 2 April 2003 over the following frequency bands with effect from 2 April 2003 until 1 April 2018:

- (i) 1950 megahertz ("**MHz**") - 1965 MHz;
- (ii) 2140 MHz - 2155 MHz; and
- (iii) 2020 MHz - 2025 MHz

as varied by the variations to the Spectrum Assignment No. SA/1/2003 dated 14 March 2007 and 15 November 2007;

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 Internal Restructuring, 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 Internal Restructuring.

ORDINARY RESOLUTION 2

PROPOSED DISTRIBUTION BY THE COMPANY OF ITS ENTIRE HOLDING OF AND RIGHTS TO TM INTERNATIONAL SHARES FOLLOWING THE PROPOSED INTERNAL RESTRUCTURING TO ITS SHAREHOLDERS

THAT, subject to and conditional upon the approvals of all relevant authorities being obtained, and subject further to and conditional upon **Ordinary Resolution 1** and **Ordinary Resolution 3** being passed, approval be and is hereby given for a dividend in specie of the Company's entire holding of and rights to the TM International Shares following the Proposed Internal Restructuring, to the Company's shareholders whose names appear in the Record of Depositors or Register of Members of the Company as at the Entitlement Date on the basis of 1 TM International Share for every 1 TM Share held as at the Entitlement Date ("**Proposed Distribution**");

THAT, the Board of Directors of the Company be and is hereby empowered and authorised to apply the approved sum from the retained earnings of the Company in order to give effect to the Proposed Distribution;

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 Distribution, 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 Distribution.

ORDINARY RESOLUTION 3

PROPOSED LISTING OF TM INTERNATIONAL ON THE MAIN BOARD OF BURSA MALAYSIA SECURITIES BERHAD

THAT, subject to and conditional upon the approvals of all relevant authorities being obtained, and subject further to and conditional upon **Ordinary Resolution 1** and **Ordinary Resolution 2** being passed, approval be and is hereby given for the listing of the entire issued and paid-up ordinary share capital of TM International on the Main Board of Bursa Malaysia Securities Berhad ("**Proposed Listing**");

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 Listing, 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 Listing.

ORDINARY RESOLUTION 4

PROPOSED SHAREHOLDERS' MANDATE FOR THE ISSUANCE OF UP TO 10% OF TM INTERNATIONAL'S ISSUED AND PAID-UP SHARE CAPITAL

THAT, approval be and is hereby given to the Company to grant to TM International, the authority pursuant to Section 132D of the Companies Act, 1965 ("**Proposed Shareholders' Mandate**") for the issuance of up to 10% of TM International's issued and paid-up share capital upon such terms and conditions and for such purposes as the Board of Directors of TM International may at its absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Board of Directors of TM International while the Proposed Shareholders' Mandate is in force **PROVIDED THAT** the aggregate number of TM International Shares to be issued under the Proposed Shareholders' Mandate shall not exceed 10% of the total issued and paid-up share capital of TM International;

AND THAT, the Proposed Shareholders' Mandate shall be effective at any time and from time to time until the conclusion of the next annual general meeting of TM International or the expiration of the period within which TM International's next annual general meeting is required by law to be held, whichever is earlier;

AND THAT, the Board of Directors of the Company and/or TM International 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/or TM International and any of their subsidiaries, all such documents as they may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Shareholders' Mandate, with full powers to assent to any conditions, modifications, variations and/or amendments as the Board of Directors of the Company and/or TM International may deem fit and/or as may be imposed by any relevant authorities in connection with the Proposed Shareholders' Mandate.

ORDINARY RESOLUTION 5

PROPOSED ISSUANCE BY TM INTERNATIONAL TO EMPLOYEES PROVIDENT FUND BOARD ("EPF") OF UP TO 30% OF THE NUMBER OF NEW TM INTERNATIONAL SHARES AVAILABLE UNDER THE PROPOSED SHAREHOLDERS' MANDATE

THAT, subject to and conditional upon **Ordinary Resolution 4** being passed, approval be and is hereby given to TM International to issue and allot to EPF up to 30% of the number of new TM International Shares available and which may be issued under the Proposed Shareholders' Mandate, upon such terms and conditions as set out in the Circular to TM's shareholders dated 20 February 2008, and upon such other terms and conditions as the Board of Directors of TM International may at its absolute discretion deem fit ("**Proposed Issue to EPF**");

AND THAT, the Board of Directors of the Company and/or TM International 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/or TM International and any of their subsidiaries, all such documents as they may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Issue to EPF, with full powers to assent to any conditions, modifications, variations and/or amendments as the Board of Directors of the Company and/or TM International may deem fit and/or as may be imposed by any relevant authorities in connection with the Proposed Issue to EPF.

ORDINARY RESOLUTION 6

PROPOSED EMPLOYEES' SHARE OPTION SCHEME TO ELIGIBLE EMPLOYEES AND EXECUTIVE DIRECTOR(S) OF TM GROUP

THAT, subject to and conditional upon the approvals of all relevant authorities being obtained, approval be and is hereby given to the Board of Directors of the Company to:

- (i) establish and administer the proposed employees' share option scheme ("**Proposed Option Scheme**") under the terms as contained in the Circular to TM's shareholders dated 20 February 2008, for the benefit of eligible employees and Executive Director(s) of the Company and its subsidiaries (other than those which are incorporated out of Malaysia and/or are dormant) ("**Eligible Employees**") to purchase TM Shares in accordance with the By-Laws governing the Proposed Option Scheme ("**By-Laws**") as set out in Appendix IV of the Circular to TM's shareholders dated 20 February 2008, and to give full effect to the Proposed Option Scheme with full power to assent to any conditions, variations, modifications and/or amendments as the Board of Directors of the Company may deem fit and/or as may be imposed by the relevant authorities;
- (ii) do all things necessary and make the necessary application at the appropriate time or times to Bursa Malaysia Securities Berhad for the listing of and quotation for the new TM Shares to be issued under the Proposed Option Scheme;
- (iii) appoint a Trustee and its successor and authorise the Trustee to subscribe for new TM Shares for the purpose of the Proposed Option Scheme;
- (iv) authorise the Company or any corporation within the TM Group to provide money or other assistance (financial or otherwise) to enable the Trustee to acquire new TM Shares for the purpose of the Proposed Option Scheme provided that the Company or any corporation within the TM Group shall not provide such money or assistance (financial or otherwise) if it would be in breach of any laws of Malaysia;
- (v) allot and issue such number of new TM Shares, being ordinary shares not exceeding four per cent (4%) of the total issued and paid-up ordinary share capital of the Company as at the effective date of the Proposed Option Scheme, subject to the terms and conditions of the Proposed Option Scheme; and
- (vi) 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 Option Scheme, 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 Option Scheme.

ORDINARY RESOLUTION 7

PROPOSED GRANT OF OPTION TO DATO' SRI ABDUL WAHID OMAR

THAT, subject to and conditional upon **Ordinary Resolution 6** being passed, approval be and is hereby given to the Board of Directors of the Company to grant an option to Dato' Sri Abdul Wahid Omar, Group Chief Executive Officer of the Company, to purchase up to 2,000,000 TM Shares under the Proposed Option Scheme, subject always to such terms and conditions of the By-Laws and/or any adjustments which may be made in accordance with the provisions of the By-Laws.

ORDINARY RESOLUTION 8

PROPOSED GRANT OF OPTION TO MOHD AZIZI ROSLI

THAT, subject to and conditional upon **Ordinary Resolution 6** being passed, approval be and is hereby given to the Board of Directors of the Company to grant an option to Mohd Azizi Rosli, the son of Rosli Man, a Director of the Company, to purchase up to 6,000 TM Shares under the Proposed Option Scheme, subject always to such terms and conditions of the By-Laws and/or any adjustments which may be made in accordance with the provisions of the By-Laws.

ORDINARY RESOLUTION 9

PROPOSED ACQUISITION BY TM INTERNATIONAL AND INDOCEL HOLDING SDN BHD (“INDOCEL”) FROM KHAZANAH NASIONAL BERHAD (“KHAZANAH”) OF EQUITY INTERESTS IN SUNSHARE AND PT EXCELCOMINDO PRATAMA TBK (“XL”) (“PROPOSED ACQUISITION”)

THAT, subject to and conditional upon the approvals of all relevant authorities being obtained, and subject further to and conditional upon **Ordinary Resolution 10** being passed, approval be and is hereby given for the Proposed Acquisition based on the terms set out in the Sale and Purchase Agreement between TM International, Indocel and Khazanah dated 6 February 2008 which involves the following:

- (i) proposed acquisition by TM International from Khazanah of 35,965,998 redeemable convertible preference shares of USD0.01 each in SunShare and 2 Class A ordinary shares of USD1.00 each in SunShare, collectively representing approximately 49% of the issued and paid-up share capital of SunShare for a purchase consideration of RM155 million; and
- (ii) proposed acquisition by Indocel from Khazanah of 1,191,553,500 ordinary shares of Indonesian Rupiah 100 each in XL, representing approximately 16.81% of the issued and paid-up share capital of XL for a purchase consideration of RM1,425 million;

whereby the aggregate purchase consideration of RM1,580 million will be satisfied through the issuance of:

- (i) 176,000,000 new TM International Shares at an issue price of approximately RM8.98 per TM International Share if the Proposed Demerger becomes unconditional in accordance with the terms and conditions of the Demerger Agreement; or
- (ii) 4,500,000 new TM International Shares at an issue price of approximately RM351.11 per TM International Share if the Proposed Demerger does not become unconditional in accordance with the terms and conditions of the Demerger Agreement;

AND THAT, the Board of Directors of the Company and/or TM International 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/or TM International and any of their subsidiaries, all such documents as they may deem necessary, expedient and/or appropriate to implement, give full effect to and complete the Proposed Acquisition, with full powers to assent to any conditions, modifications, variations and/or amendments as the Board of Directors of the Company and/or TM International may deem fit and/or as may be imposed by any relevant authorities in connection with the Proposed Acquisition.

ORDINARY RESOLUTION 10

PROPOSED EXEMPTION FOR KHAZANAH FROM THE OBLIGATION TO CARRY OUT THE MANDATORY TAKE-OVER OFFER ON THE REMAINING VOTING SHARES OF TM INTERNATIONAL NOT OWNED BY KHAZANAH (“PROPOSED EXEMPTION”)

THAT, subject to and conditional upon **Ordinary Resolution 9** being passed, approval be and is hereby given for Khazanah to increase its shareholdings in TM International under the Proposed Acquisition without having to carry out a mandatory take-over offer under Part II of the Malaysian Code on Takeovers and Mergers, 1998 for the remaining voting shares of TM International;

AND THAT, the Board of Directors of the Company and/or TM International 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/or TM International and any of their subsidiaries, all such documents as they may deem necessary, expedient and/or appropriate to implement, give full effect to the Proposed Exemption, with full powers to assent to any conditions, modifications, variations and/or amendments as the Board of Directors of the Company and/or TM International may deem fit and/or as may be imposed by any relevant authorities in connection with the Proposed Exemption.

FURTHER NOTICE IS HEREBY GIVEN THAT a Depositor shall be eligible to attend this meeting only in respect of:

- (i) Shares deposited into the Depositor’s Securities Account before 12.30 p.m. on 27 February 2008 (in respect of shares which are exempted from Mandatory Deposit);
- (ii) Shares transferred into the Depositor’s Securities Account before 4.00 p.m. on 27 February 2008 (in respect of Ordinary Transfer); and
- (iii) Shares bought on Bursa Malaysia Securities Berhad (“**Bursa Securities**”) on a cum entitlement basis according to the Rules of Bursa Securities.

Shareholders are reminded that pursuant to the Securities Industry (Central Depositories) (Amendment No. 2) Act, 1998 which came into force on 1 November 1998, all shares not deposited with Bursa Malaysia Depository Sdn Bhd by 12.30 p.m. on 1 December 1998 and not exempted from Mandatory Deposit, have been transferred to the Minister of Finance (“**MOF**”). Accordingly, the person eligible to attend this meeting for such undeposited shares will be the MOF.

BY ORDER OF THE BOARD

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

Kuala Lumpur, Malaysia
20 February 2008

Notes:

1. *A Member entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member of Telekom Malaysia Berhad (“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 Securities Industry (Central Depositories) Act, 1991, 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 have 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 have 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 this 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, G-01 Ground Floor, Plaza Permata, Jalan Kampar, Off Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding of the Meeting or any adjournment thereof, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll.*