

**AXIATA GROUP BERHAD**  
**[199201010685 (242188-H)]**  
(Incorporated in Malaysia)

**MINUTES OF THIRTIETH ANNUAL GENERAL MEETING OF AXIATA GROUP BERHAD (“AXIATA” OR “COMPANY”) HELD AS A VIRTUAL MEETING FROM THE BROADCAST VENUE AT AUDITORIUM, LEVEL 32, AXIATA TOWER, 9 JALAN STESEN SENTRAL 5, KUALA LUMPUR SENTRAL, 50470 KUALA LUMPUR, MALAYSIA ON THURSDAY, 26 MAY 2022 AT 9.30 A.M.**

---

**PRESENT**

1. Tan Sri Shahril Ridza Ridzuan (“Chairman”) - *Chairman*
2. Dato’ Mohd Izzaddin Idris (“DII” or “President & GCEO”) - *Managing Director/President & Group Chief Executive Officer, Axiata Group Berhad (“Axiata” or “Company”)*
3. Dato Dr Nik Ramlah Nik Mahmood (“DNR”)
4. Dr David Robert Dean (“DD”)
5. Khoo Gaik Bee (“KGB”)
6. Thayaparan S Sangarapillai (“TS”)
7. Tan Sri Dr Halim Shafie (“TSHS”)
8. Ong King How (“OKH”)
9. Syed Ali Syed Salem Alsagoff (“TSA”)
10. Nurhisham Hussein (“NH”)

**IN ATTENDANCE**

- Suryani Hussein (“Group Cossec”) - *Group Company Secretary*

**SHAREHOLDERS PRESENT**

*As per the attendance record [Total: 976 attendees representing 3,237,399 ordinary shares in Axiata Group Berhad (“Axiata Shares”)]*

**PROXIES PRESENT**

*As per the attendance record [Total: 96 attendees representing 8,301,589,184 Axiata Shares of which shareholders with an aggregate shareholding of 1,532,937,183 Axiata Shares have nominated the Chairman of the Meeting to represent them as their proxy].*

As at 17 May 2022, being the cut-off date for determining who shall be entitled to attend the virtual Annual General Meeting (“**30th AGM**”) or appoint proxies on his/her behalf, a total of

23,849 depositors holding issued and paid-up capital of RM13,912,676,533.00 comprising 9,176,804,182 Axiata Shares was recorded.

The appointment of proxies via TIIH Online was opened from 9.30 a.m., 27 April 2022 and closed at 9.30 a.m., 25 May 2022. The online application to attend the 30th AGM via Remote Participation and Voting ("**RPV**") provided by Tricor Investor and Issuing House Services Sdn Bhd ("**Tricor**") via TIIH Online was opened from 9.30 a.m., 27 April 2022 until the conclusion of AGM on 26 May 2022.

As at 9.30 a.m. on 25 May 2022, a total of 995 members comprising shareholders, proxies and corporate representatives representing 1,720,179,360 Axiata Shares registered via the RPV for the 30th AGM.

As at 9.30 a.m. on 26 May 2022, a total of 120 members and proxies representing 34.0% of the share capital of Axiata registered their attendance for this meeting.

## 1.0 QUORUM, ADMINISTRATIVE MATTERS AND NOTICE

The Chairman welcomed all shareholders and proxies of Axiata Group Berhad ("**Axiata**" or "**Company**") who participated in the 30th AGM via RPV provided by Tricor. The Chairman informed that the 30th AGM was convened in line with the Guidance and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission of Malaysia on 18 April 2020 with several revisions being made thereafter, the latest being on 7 April 2022.

The Chairman invited Suryani Hussein ("**Group Cosec**") to brief the meeting on the administrative matters in respect of the 30th AGM. In accordance with Clause 81 of the Constitution of Axiata ("**Constitution**"), 2 members personally present shall be a quorum at a general meeting. The presence of quorum was confirmed by Group Cosec pursuant to Clause 81 of the Constitution.

As provided under Clause 87(i) of the Constitution, if required under applicable laws, all resolutions put to vote at any meeting of Members shall be determined by poll unless such requirement is waived.

For this AGM, pursuant to paragraph 8.29A of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad, it is now a requirement that a listed issuer must ensure that any resolution tabled at an AGM is to be voted by way of poll. As such, the voting for the 30<sup>th</sup> AGM will be conducted by way of a poll.

The Chairman informed that he will table all 9 resolutions and allow questions and answers for each resolution, immediately upon completion of the tabling of the last resolution. As the Group Cosec is a shareholder, she will be the Proposer and Seconded for all 9 resolutions.

The Chairman sought confirmation from Group Cosec whether the Company had received any notice for transaction of other business which had been given for this meeting. Group Cosec confirmed that the Company had not received any notice for transaction of any other business at the Meeting.

The Chairman declared the RPV officially opened and informed that the poll would be conducted through electronic voting conducted by Tricor as the Poll Administrators and the results would be verified by Deloitte Business Advisory Sdn Bhd ("**Deloitte**") as Scrutineers.

## 2.0 WELCOMING ADDRESS

The Chairman introduced members of the Board who joined at the Broadcast venue. The Chairman also introduced the scrutineer, independent moderator, registrar, auditors and lawyers.

The Chairman took the opportunity to record a note of appreciation and gratitude to Tan Sri Ghazzali Sheikh Abdul Khalid who retired from the Board on 31 December 2021.

The Chairman announced the appointment of NH as a Non-Independent Non-Executive Director and nominee of Employee Provident Fund on 25 January 2022.

The Chairman also introduced members of Axiata's Senior Leadership Team and the CEOs of local Operating Companies.

## 3.0 PRESENTATION BY PRESIDENT & GCEO

- 1) The Chairman invited the President & GCEO to present on Axiata Group's performance in 2021 and Q1'22 Financial Performance as well as Key Highlights.
- 2) The President & GCEO shared his presentation entitled '**Executing for Next**' covering, inter-alia, the following:-
  - i) 2021 Financial Performance;
  - ii) Q1'22 Financial Performance;
  - iii) Key Highlights;
  - iv) The Way Forward – Axiata 5.0; and
  - v) Key Takeaways.

## 4.0 AUDITED FINANCIAL STATEMENTS ("AUDITED FINANCIAL STATEMENTS") FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 ("FYE2021") TOGETHER WITH THE REPORT OF THE DIRECTORS AND THE AUDITORS ("REPORTS") THEREON

- 1) The Chairman tabled the Audited Financial Statements and Reports as set out on pages 43 to 181 under the Governance & Audited Financial Statements 2021 ("**GAFS2020**") of the IAR2021.
- 2) The Chairman highlighted that as stated in the Notice, the Audited Financial Statements will not be put forward for voting. This is in line with Section 340(1) of the Companies Act 2016 ("**CA 2016**") which only requires the Audited Financial Statements to be laid before the shareholders. The Audited Financial Statements are tabled at the 30th AGM only for discussions and for the Board to address any queries during the Questions and Answers session.
- 3) The Chairman informed that PwC had, in the Auditors' Report on pages 182 to 189 under the GAFS 2021 of the IAR2021, given their opinion that the Audited Financial Statements have been properly drawn up and present a true and fair view of the financial position of the Company and Group as at 31 December 2021. The Chairman also introduced Mr. Irvin Menezes, the partner of PwC.

- 4) The Chairman concluded the receipt of the Audited Financial Statements and proceeded to the next agenda.

## **5.0 RE-ELECTION OF DIRECTORS RETIRING BY ROTATION PURSUANT TO CLAUSE 104 OF THE CONSTITUTION**

### **I. RE-ELECTION OF DATO' MOHD IZZADDIN IDRIS**

[Ordinary Resolution 1]

### **II. RE-ELECTION OF DR NIK RAMLAH NIK MAHMOOD**

[Ordinary Resolution 2]

### **III. RE-ELECTION OF DAVID ROBERT DEAN**

[Ordinary Resolution 3]

- 1) In accordance with Clause 104, DII, DNR and DD retire at this meeting and being eligible, have offered themselves for re-election.
- 2) The Chairman highlighted that the Board has recommended their re-elections. Details of the assessment carried out by the Board Nomination and Remuneration Committee ("BNRC") are provided in the Corporate Governance Overview Statement on page 92 of the IAR 2021. Their profiles are set out in the Profile of Directors' section of the GAFS 2021 on pages 4 and 5.

Ordinary Resolutions 1, 2 and 3 were put to the meeting for voting by e-polling upon conclusion of the tabling of all resolutions.

The Chairman proceeded to the next agenda.

## **6.0 RE-ELECTION OF DIRECTORS RETIRING PURSUANT TO CLAUSE 110(ii) OF THE CONSTITUTION**

### **I. TAN SRI SHAHRIL RIDZA RIDZUAN**

[Ordinary Resolution 4]

### **II. NURHISHAM HUSSEIN**

[Ordinary Resolution 5]

- 1) In accordance with Clause 110(ii), TSR and NH retire at this meeting and being eligible, have offered themselves for re-election.
- 2) The Chairman highlighted that the Board had recommended their re-elections. Their profiles are set out in the Profile of Directors' section at page 4 and 7 of the GAFS2021.

Ordinary Resolution 4 and 5 was put to the meeting for voting by e-polling upon conclusion of the tabling of all resolutions.

The Chairman proceeded to the next agenda.

## **7.0 A) PAYMENT OF THE FOLLOWING DIRECTORS' FEES WITH EFFECT FROM THE 30TH AGM UNTIL THE NEXT AGM:-**

- I. **DIRECTORS' FEES OF RM30,000.00 PER MONTH TO THE NON-EXECUTIVE CHAIRMAN ("NEC") AND RM20,000.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BOARD;**
- II. **DIRECTORS' FEES OF RM9,000.00 PER MONTH TO THE NEC AND RM4,000.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BAC; AND**
- III. **DIRECTORS' FEES OF RM5,000.00 PER MONTH TO THE NEC AND RM3,000.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BNRC.**
- IV. **DIRECTORS' FEES OF RM9,000.00 PER MONTH TO THE NEC AND RM4,000.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BRCC.**
- V. **DIRECTORS' FEES OF RM2,500.00 PER MONTH TO THE NEC AND RM1,500.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BSC.**

**B) BENEFITS PAYABLE BY THE COMPANY TO NEC AND NEDS FROM THE 30TH AGM UNTIL THE NEXT AGM**

[Ordinary Resolution 6]

- 1) The next agenda was on the approval for payment by the Company of monthly fixed fees for Board and Board Committees as well as benefits payable by the Company with effect from the 30th AGM until the next AGM of the Company. These benefits include annual overseas business development trips, leave passage, travel allowance, travel allowance for non-resident NEDs, equipment, telecommunication facilities, insurance and medical.
- 2) The Chairman highlighted that Section 230(1) of the CA 2016, stipulates amongst others, that the fees and benefits payable to the directors of a listed company shall be approved at a general meeting. The Board has recommended revisions only in respect of the fee ratios for Board Audit Committee, Board Nomination and Remuneration Committee and Board Risk and Compliance Committee which are proposed to be increased to align with prevailing P50 market practice amongst similarly sized firms in Malaysia. The Board also resolved to remodel, rescope and rename the Board Annual Report Committee to the Board Sustainability Committee and recommended the introduction of a new monthly fixed fee and meeting allowance. Detailed explanation on the remuneration structure of Non-Executive Directors of Axiata and the remuneration received by each Director including benefits-in-kind are provided on page 8 of the GAFS2021 and pages 47 to 49 of Corporate Governance Report 2021.

Ordinary Resolution 6 was put to the meeting for voting by e-polling upon conclusion of the tabling of all resolutions.

The Chairman proceeded to the next agenda.

**8.0 PAYMENT OF THE DIRECTORS' FEES AND BENEFITS PAYABLE BY THE SUBSIDIARIES TO THE NEDS OF THE COMPANY WITH EFFECT FROM THE 30TH AGM UNTIL THE NEXT AGM.**

[Ordinary Resolution 7]

- 1) The Chairman informed that the remuneration and benefits policy was formulated for NEDs based on annual revenue per annum of the OpCos. The policy served as a guidance and is applicable to active companies in Axiata Group. Its application is subject to, among others, local benchmarking and legal requirements.

- 2) The Chairman indicated that some Axiata Board members serve on these OpCos as part of Axiata's OpCo Board composition framework to provide the linkage back to the main Board. Axiata personnel serving on subsidiary Boards were not entitled to receive fees or any monetary benefits. For Independent Board members, they receive non-monetary benefits from only one company within the Group.
- 3) The Chairman informed that pursuant to Section 230(1) of the CA 2016, the fees and benefits payable to the Directors of a listed company by the subsidiaries shall be approved at a general meeting.
- 4) The Chairman informed that there is no revision to the amount proposed other than the revised and new fees and meeting allowances for Celcom Axiata Berhad. Detailed explanation on the remuneration structure of NEDs including benefits in-kind are provided on page 8 of the GAFS2021 and pages 47 to 49 of the Corporate Governance Report 2021.

Ordinary Resolution 7 was put to the meeting for voting by e-polling upon conclusion of the tabling of all resolutions.

The Chairman proceeded to the next agenda.

**9.0 RE-APPOINTMENT OF PRICEWATERHOUSECOOPERS PLT ("PwC") TO ACT AS AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 2021 AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION ("RE-APPOINTMENT OF AUDITORS")**

[Ordinary Resolution 8]

- 1) PwC had expressed their willingness to continue in office as Auditors of the Company.
- 2) The BAC and the Board had considered the re-appointment of PwC and was of the opinion that the re-appointment of PwC as Auditors of the Company is in the best interest of the Company and had recommended the same for approval by the shareholders.

Ordinary Resolution 8 was put to the meeting for voting by e-polling upon conclusion of the tabling of all resolutions.

The Chairman proceeded to the next agenda.

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

[Ordinary Resolution 9]

- 1) Khazanah Nasional Berhad ("**Khazanah**") and Employee Provident Fund ("EPF"), the major shareholders of Axiata was deemed interested in the Proposed Shareholders' Mandate. OKH and NH being the nominee of Khazanah and EPF on the Board of Axiata have abstained and would continue to abstain from deliberating and voting on the Proposed Shareholders' Mandate.

- 2) Khazanah and EPF would have to abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution on the Proposed Shareholders' Mandate and have taken steps to ensure that persons connected to them would abstain from voting in respect of their direct and/or indirect shareholdings, if any, on this resolution.

Ordinary Resolution 9 was put to the meeting for voting by e-polling upon conclusion of the tabling of all resolutions.

The Chairman proceeded to the next agenda.

#### 14.0 QUESTION AND ANSWER SESSION ("Q&A SESSION")

The Chairman inform that Axiata had received a number of questions from the Minority Shareholders Watch Group ("**MSWG**"), shareholders, corporate representatives and proxies before and during the AGM. The Company had appointed Deloitte as an Independent Moderator to facilitate and enhance the transparency of the AGM Q&A session.

*[The list of questions and the Company's responses are set out in **Attachment 1**]*

The Independent Moderator informed that if there are remaining questions which could not be answered at this meeting, the responses will be emailed to the shareholders at the earliest possible time. With that the Q&A session closed.

#### 15.0 POLLING PROCESS

The Chairman informed the meeting that to facilitate Online Remote Voting, shareholders were allowed to submit their votes from the commencement of this meeting. The presentation on the steps to cast the vote was shown on the screen.

For polling purposes, the Chairman declared the closure of the voting session for the 30th AGM through Online Remote Voting at 12.00 p.m. and the results will be furnished to the Scrutineers for verification and validation before submitting to the Chairman for announcement.

At 12.00 p.m., the Chairman adjourned the 30th AGM for 20 minutes for the conduct of the polling.

#### 16.0 ANNOUNCEMENT OF POLL RESULTS

The 30th AGM re-convened at 12.20 p.m. and the Chairman called the meeting to order for the declaration of the results. He then invited Mr Anthony Tai, representing the Scrutineers to confirm that the poll voting results have been verified.

Mr Anthony Tai confirmed that the poll voting results as projected on the screen in the meeting room have been verified. The poll voting results are attached as '**Appendix III**'.

Based on the poll results verified by the Scrutineers, the Chairman declared all resolutions tabled at the 30th AGM carried.

Therefore, **IT WAS RESOLVED:-**

• **ORDINARY BUSINESS**

**THAT** Dato' Mohd Izzaddin Idris who retired in accordance with Clause 104 of the Constitution of the Company and who being eligible offered himself for re-election, be and is hereby re-elected as Director of the Company.

(Ordinary Resolution 1)

**THAT** Dato Dr Nik Ramlah Nik Mahmood who retired in accordance with Clause 104 of the Constitution of the Company and who being eligible offered herself for re-election, be and is hereby re-elected as Director of the Company.

(Ordinary Resolution 2)

**THAT** Dr David Robert Dean who retired in accordance with Clause 110(ii) of the Constitution of the Company and who being eligible offered himself for re-election, be and is hereby re-elected as Director of the Company.

(Ordinary Resolution 3)

**THAT** Tan Sri Shahril Ridza Ridzuan who retired in accordance with Clause 110(ii) of the Constitution of the Company and who being eligible offered himself for re-election, be and is hereby re-elected as Director of the Company.

(Ordinary Resolution 4)

**THAT** Nurhisham Hussein who retired in accordance with Clause 110(ii) of the Constitution of the Company and who being eligible offered himself for re-election, be and is hereby re-elected as Director of the Company.

(Ordinary Resolution 5)

**THAT** payment of the following Directors' fees with effect from the 30th Annual General Meeting ("**AGM**") until the next AGM of the Company be and is hereby approved:-

- i) Directors' fees of RM30,000.00 per month to the Non-Executive Chairman ("**NEC**") and RM20,000.00 per month to each of the Non-Executive Directors ("**NEDs**") who are members of the Board;
- ii) Directors' fees of RM9,000.00 per month to the NEC and RM4,000.00 per month to each of the NEDs who are members of the Board Audit Committee;
- iii) Directors' fees of RM5,000.00 per month to the NEC and RM3,000.00 per month to each of the NEDs who are members of the Board Nomination & Remuneration Committee; and
- iv) Directors' fees of RM9,000.00 per month to the NEC and RM4,000.00 per month to each of the NEDs who are members of the Board Risk & Compliance Committee.
- v) Directors' fees of RM2,500.00 per month to the NEC and RM1,500.00 per month to each of the NEDs who are members of the Board Sustainability Committee.

**AND THAT** the benefits payable to NEC and NEDs from the 30th AGM until the next AGM be and is hereby approved.

(Ordinary Resolution 6)



**AND THAT** the payment of fees and benefits payable by the subsidiaries to the NEDs of the Company from the 29th AGM until the next AGM of the Company be and is hereby approved.

(Ordinary Resolution 7)

**THAT** PricewaterhouseCoopers PLT, having consented to act as the Auditors of the Company, be and is hereby re-appointed as Auditors of the Company for the financial year ending 31 December 2022 until the conclusion of the next AGM **AND THAT** the Directors of the Company be and are hereby authorised to fix their remuneration.

(Ordinary Resolution 8)

#### **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

**THAT**, in accordance with paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) (Main LR), approval be and is hereby given for Axiata 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 Circular to Shareholders dated 27 April 2022 ("**Circular**") which is made available together with the Company's Integrated Annual Report 2021 at <https://www.axiata.com/investors/agm/>, which are necessary for the day-to-day operations in the ordinary course of the business of Axiata and/ or its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of Axiata;

**THAT** such approval will continue to be in force and effect until:-

- i) The conclusion of the next Annual General Meeting 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 next Annual General Meeting is required to be held under Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- iii) Revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is earlier;

**AND THAT** the Directors be and are hereby authorised to complete and do all such acts, deeds and things (including without limitation, to execute 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 aforesaid shareholders' mandate and transactions contemplated under this resolution.

(Ordinary Resolution 9)

#### **16.0 TERMINATION OF MEETING**

The Chairman concluded the 30th AGM and proposed to close the meeting. The Meeting was terminated at 12.25 p.m.

Minutes of 30th Annual General Meeting

Broadcast Venue at Auditorium, Level 32, Axiata  
Tower, 9 Jalan Stesen Sentral 5  
Kuala Lumpur Sentral  
50470 Kuala Lumpur

26 May 2022

9.30 a.m.

**CONFIRMED AS A CORRECT RECORD**

**CHAIRMAN**

**Date:**

**Appendix I – Circular to Shareholder**

**Appendix II – Question and Answer**

**Appendix III – Poll Voting Results**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

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

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this circular, makes no representation that this circular is accurate or complete, and expressly disclaims any liability for any loss arising from, or due to your reliance on, the whole or any part of the contents of this circular.



**AXIATA GROUP BERHAD**

Company No. 199201010685 (242188-H)  
(Incorporated in Malaysia)

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

The ordinary resolution for the Proposed Shareholders' Mandate (as defined herein) will be tabled at the Thirtieth Annual General Meeting ("**30th AGM**") of Axiata Group Berhad ("**Axiata**"), which will be held on a virtual basis. This Circular is available at <https://www.axiata.com/investors/agm/> together with, amongst others, the Notice of the 30th AGM, Proxy Form and the Administrative Notes of Axiata. The date, time and broadcast venue of the AGM are as follows:

Date and time of the 30th AGM : Thursday, 26 May 2022 at 9.30 a.m. or at any adjournment thereof.

Broadcast Venue of the 30th AGM : Auditorium, Level 32, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia.

The Proxy Form for the 30th AGM should be completed and deposited at the office of Axiata's share registrar, Tricor Investor & Issuing House Services Sdn Bhd (11324-H) ("**Tricor**") at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. As the voting at the 30th AGM will be conducted on a poll, the Proxy Form must be lodged on or before the following time and date:

Last day and time for deposit of Proxy Form : Wednesday, 25 May 2022 at 9.30 a.m.

The proxy appointment may also be lodged electronically via Tricor's TIIH Online website at <https://tiih.online> no later than Wednesday, 25 May 2022 at 9.30 a.m. For further information on the electronic lodgment of the Proxy Form, kindly refer to the Administrative Notes for the 30th AGM.

This Circular is dated 27 April 2022

## DEFINITIONS

---

In this Circular, the following words and expressions shall bear the following meanings respectively, unless the context otherwise requires:

“Act”	:	Companies Act 2016, as amended from time to time and includes any re-enactment thereof
“AGM”	:	Annual general meeting of our Company
“Axiata” or “Company”	:	Axiata Group Berhad
“Axiata Group” or “Group”	:	Axiata and its subsidiaries, collectively
“BDT”	:	Bangladeshi Taka
“Board”	:	The board of directors of Axiata for the time being
“Board Audit Committee”	:	The audit committee of the Board, as detailed in section 2.6 of this Circular
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“Connected Person” or “Person Connected”	:	In relation to any person (referred to as “said Person”) means such person who falls under any one of the following categories: <ul style="list-style-type: none"><li>(a) a family member of the said Person;</li><li>(b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;</li><li>(c) a partner of the said Person;</li><li>(d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;</li><li>(e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;</li><li>(f) a body corporate in which the said Person, or Persons Connected with the said Person are entitled to exercise, or control the exercise of, not less than twenty percent (20.0%) of the votes attached to voting shares in the body corporate; or</li><li>(g) a body corporate which is a related corporation of the said Person</li></ul>
“Director”	:	A director within the meaning given in section 2(1) of the Capital Markets and Services Act, 2007 (as amended

from time to time and includes any re-enactment thereof), and for the purposes of the Proposed Shareholders' Mandate, Proposed Award, and in respect of any particular transaction, includes any person who is or was, within the six-month period preceding the date on which the terms of the transactions were agreed upon:

- (a) a director of our Company or our subsidiary or holding company; or
- (b) a chief executive officer of our Company or our subsidiary or holding company,

and "Directors" shall be construed accordingly

"FYE"	:	Financial year ended or where the context requires, financial year ending
"Integrated Annual Report"	:	The integrated annual report of our Company
"Khazanah"	:	Khazanah Nasional Berhad, a Major Shareholder of Axiata
"EPF"	:	Employees Provident Fund, a Major Shareholder of Axiata
"IDR"	:	Indonesian Rupiah
"Listing Requirements"	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time and shall include any Practice Notes issued in relation thereto
"SLR"	:	Sri Lankan Rupee
"LOA"	:	Limits of authority, as described in section 2.6 of this Circular
"LPD"	:	31 March 2022, being the latest practicable date prior to the printing of this Circular
"Major Shareholder"	:	<p>A person who has an interest or interests in one or more voting shares in a corporation and the number or the aggregate number of those shares, is:</p> <ul style="list-style-type: none"> <li>(i) ten percent (10.0%) or more of the total number of voting shares in the corporation; or</li> <li>(ii) five percent (5.0%) or more of the total number of voting shares in the corporation where such person is the largest shareholder of the corporation,</li> </ul>

and for the purposes of the Proposed Shareholders' Mandate, Proposed Award, and in respect of any particular transaction, includes any person who is or was, within the six-month period preceding the date on which the terms of that transaction were agreed upon, a Major Shareholder of Axiata or its subsidiary or holding company. For the purposes hereof, an interest in a share

shall be determined by reference to section 8 of the Act.  
“Major Shareholders” shall be construed accordingly

“NPR”	:	Nepalese Rupee
“PN 12”	:	Practice Note 12 of the Listing Requirements
“Proposed Shareholders’ Mandate”	:	Proposed shareholders’ mandate for RRPTs to be entered into by the Axiata Group as described in Section 1 of Appendix 1 of this Circular
“Related Party”	:	A Director, Major Shareholder, or Person Connected with such Director or Major Shareholder, and “Related Parties” shall be construed accordingly
“Related Party Transaction”	:	A transaction entered into by Axiata or a subsidiary of Axiata which involves the interest, direct or indirect, of a Related Party
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“RRPT”	:	A Related Party Transaction which is recurrent, of a revenue or trading nature, and which is necessary for the day-to-day operations of the Axiata Group, and “RRPTs” shall be construed accordingly
“USD”	:	United States Dollar
“VAT”	:	Value added tax

All references in this Circular to “we”, “us”, “our” and “ourselves” are to Axiata and, where the context requires, to Axiata and its subsidiaries collectively. All references to “you” in this Circular are to the shareholders of Axiata.

In this Circular, words importing the singular shall, where applicable, include the plural and vice versa and words importing any gender shall, where applicable, include all genders.

In this Circular, all references to a person shall include a reference to corporations.

All references to time in this Circular are references to Malaysian time, unless otherwise stated. Unless otherwise expressly provided herein, references in this Circular to Sections and Appendices are to the relevant sections and appendices of and to this Circular.

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

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due inquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Group’s plans and objectives will be achieved.

Any exchange rate translations in this Circular are provided solely for convenience of readers and should not be constituted as representative that the translated amounts stated in this Circular could have been or would have been converted into such other amounts or vice versa.

## TABLE OF CONTENTS

---

### **PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

1.	INTRODUCTION .....	1
2.	DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE.....	2
3.	EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE .....	7
4.	APPROVALS REQUIRED .....	7
5.	DIRECTORS' STATEMENT... ..	7
6.	CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION .....	7
7.	AGM.....	8
8.	FURTHER INFORMATION.....	9

### **APPENDICES**

APPENDIX I	DETAILS OF RRPTS TO BE ENTERED INTO WITH OUR RELATED PARTIES .....	10
APPENDIX II	FURTHER INFORMATION .....	16



**AXIATA GROUP BERHAD**  
Company No. 199201010685 (242188-H)  
(Incorporated in Malaysia)

**Registered office:**

Level 5, Corporate Headquarters,  
Axiata Tower,  
9, Jalan Stesen Sentral 5,  
Kuala Lumpur Sentral,  
50470 Kuala Lumpur,  
Malaysia.

27 April 2022

**Board of Directors**

Tan Sri Shahril Ridza Ridzuan (*Chairman, Independent Non-Executive Director*)  
Dato' Mohd Izzaddin Idris (*Managing Director/President & Group Chief Executive Officer*)  
Dato Dr Nik Ramlah Nik Mahmood (*Senior Independent Non-Executive Director*)  
Dr David Robert Dean (*Independent Non-Executive Director*)  
Khoo Gaik Bee (*Independent Non-Executive Director*)  
Thayaparan S Sangarapillai (*Independent Non-Executive Director*)  
Tan Sri Dr Halim Shafie (*Independent Non-Executive Director*)  
Ong King How (*Non-Independent Non-Executive Director*)  
Syed Ali Syed Salem Alsagoff (*Non-Independent Non-Executive Director*)  
Nurhisham Hussein (*Non-Independent Non-Executive Director*)

**To: Our Shareholders**

Dear Sir/Madam,

**Proposed Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature**

---

**1. INTRODUCTION**

At the last AGM held on 15 June 2021, we had obtained a mandate from our shareholders for us to renew the RRPTs with our Related Parties as set out in the circular to shareholders dated 17 May 2021. This shareholders' mandate shall, in accordance with the provisions of the Listing Requirements, lapse at the conclusion of the forthcoming 30th AGM unless we, at that same AGM, again procure a mandate from you for us to enter into RRPTs with our Related Parties. Our Board had, on 22 February 2022, announced that we will be seeking your approval for the Proposed Shareholders' Mandate, at the forthcoming 30th AGM.

The purpose of this Circular is to provide you with the relevant information on the Proposed Shareholders' Mandate and in relation thereto, to seek your approval for ordinary resolution 9 which is to be tabled as special business at the forthcoming 30th AGM. This Circular is available at <https://www.axiata.com/investors/agm/> together with, amongst others, the Notice of the 30th AGM, Proxy Form and the Administrative Notes of Axiata.

**Please read and consider carefully the contents of this Circular before voting on the resolution pertaining to the Proposed Shareholders' Mandate at our forthcoming AGM.**



## 2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE

### 2.1 Provisions Of The Listing Requirements

- (a) Paragraph 10.09(1), Part E, Chapter 10 of the Listing Requirements provides, among others, that a listed issuer must immediately announce an 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 percent or more,
- whichever is the higher.
- (b) Under paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders for RRPTs 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 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 Listing Requirements;
  - (iii) the listed issuer's circular to shareholders for the shareholders' mandate includes such information as may be prescribed by the Bursa Securities;
  - (iv) in a meeting to obtain the shareholders' mandate:
    - (I) a Related Party with any interest, direct or indirect, in an RRPT that is subject to such mandate ("**Interested Related Party**") must not vote on the resolution to approve the shareholders' mandate and the RRPT;
    - (II) an Interested Related Party who is a Director or Major Shareholder must ensure that Persons Connected with it abstain from voting on the resolution to approve the shareholders' mandate and the RRPT; and
    - (III) where the Interested Related Party is a Person Connected with a Director or Major Shareholder, such person must not vote on the resolution to approve the shareholders' mandate and the RRPT; and
  - (v) the listed issuer must immediately announce to Bursa Securities when the actual value of an RRPT entered into by the listed issuer exceeds the estimated value of the RRPT as disclosed in this Circular by ten percent (10.0%) or more and must include such information as may be prescribed by the Bursa Securities in its announcement.
- (c) In accordance with paragraph 3.1.4 of PN 12, any authority conferred by the Proposed Shareholders' Mandate, if approved by you at the 30th AGM, is subject to annual renewal and shall only continue to be in force until:
- (i) the conclusion of our next AGM following the 30th AGM at which the Proposed Shareholders' Mandate is passed, at which time the authority will lapse, unless the authority is renewed by a resolution passed at the next AGM;

- (ii) the expiration of the period within which our next AGM is required to be held under section 340(2) of the Act (but must not extend to such extension as may be allowed under section 340(4) of the Act); or
  - (iii) revoked or varied by resolution passed by you at a general meeting,
- whichever is the earlier.
- (d) Pursuant to paragraph 3.1.5 of PN 12, disclosure of the aggregate value of RRPTs conducted pursuant to the Proposed Shareholders' Mandate will be made in our next Integrated Annual Report, together with the breakdown of the aggregate value of the RRPTs made during the financial year, based on (among other things) the following information:
- (i) the type of RRPTs made; and
  - (ii) the names of the Related Parties involved in each type of RRPTs made and their relationship with us.

## 2.2 Our Principal Activities

The principal activities of our Group are the provision of mobile communication services, telecommunication infrastructure and related services as well as digital services.

The principal activities of our Company are investment holding and provision of technical and management services on an international scale.

## 2.3 Related Parties

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

- (a) our Major Shareholders and Connected Persons of our Major Shareholders; and
- (b) our Directors and Connected Persons of our Directors.

## 2.4 RRPT

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

## 2.5 Details Of Overdue Trade Receivables

The details of our Group's trade receivables pursuant to RRPTs which exceeded the credit term for the following periods as at the LPD are as follows:

Amount in RM('000)	Aging of the Outstanding Amount			
	< 1 year	1 < 3 years	3 < 5 years	> 5 years
<b><u>Revenue to Axiata Group</u></b>				
Interconnect payment from TM Group	921	248	0	0
Transmission revenue on the services by Axiata Group to TM Group	801	0	0	0
Domestic roaming revenue from TM Group	10,682	28,478	0	0

Field Line Maintenance ("FLM") services by Axiata Group to edotco Group	0	12,285	0	0
Technical and management services fees and other services charges by Axiata Group to edotco Group	4,889	0	0	0
Infrastructure leasing and related services including managed services by edotco Group to Axiata Group	49,195	14,238	0	0
<b>GRAND TOTAL</b>	<b>66,488</b>	<b>55,249</b>	<b>0</b>	<b>0</b>

There are no late payment charges on the overdue trade receivables as our Group does not impose late payment charges. The management of our Company has and will continue to meet and discuss with the relevant Related Parties to pursue for early settlement of the outstanding amounts due. Our Board Audit Committee and our 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 recoverable. In addition, our management is of the view that the Related Parties are long term business counterparties and have sound credit standing.

## 2.6 Review Procedures For The RRPTs

To ensure that the RRPTs are undertaken on an arm's length basis, are 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, our Board Audit Committee has been tasked with the review and approval of such transactions.

The current members of our Board Audit Committee are Thayaparan S Sangarapillai, Dr. David Robert Dean and Syed Ali Syed Salem Alsagoff.

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

- (a) A list of Related Parties is established and made available to the chief financial officers or heads of the financial divisions (as the case may be) of each operating unit and subsidiary in our Group, who shall monitor and ensure that all RRPTs to be entered into by us or our subsidiaries are required to be undertaken on an arm's length basis, on terms which are not more favourable to the Related Parties than those generally available to the public, and which are not to the detriment of our minority shareholders;
- (b) Our operating units and our subsidiaries are made aware of the requirement to monitor, and shall put in place processes or systems to record and report on all RRPTs for compilation and reporting to our Group's finance division;
- (c) Our operating units and subsidiaries must ensure that proper records and supporting documents of the RRPTs are maintained so that all RRPTs entered into pursuant to the Proposed Shareholders' Mandate will be adequately disclosed;
- (d) The processes and procedures are in place to ensure RRPTs are entered into after taking into account the pricing and contract rates, terms and conditions, level of service and expertise required, and the quality of products and services provided, as compared to the prevailing market prices and rates, industry norms and standards, as well as the general practices, adopted by the service providers of similar capacities and capabilities generally available in the open market;
- (e) All RRPTs are presented at our Board Audit Committee meetings. Our Board Audit Committee has the right to access information concerning our Related Parties, and is

entitled to the services of any independent adviser, if required, for the discharge of its duties;

- (f) Our Board and our Board Audit Committee have overall responsibility for determining whether the guidelines and procedures on the RRPTs are appropriate and sufficient. Arising from business needs, a review of the RRPT processes and procedures will be carried out by our Board through the Board Audit Committee. If, during the review, the Board and the Board Audit Committee are of the view that the RRPT processes and procedures are:
  - (i) no longer valid; or
  - (ii) insufficient to ensure that the RRPTs are made on an arm's length basis or on terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of our minority shareholders;

then, they shall have the discretion to change, vary, modify existing guidelines and procedures, or implement new or additional guidelines and procedures, provided that such amended, varied, modified, new or additional guidelines and procedures are no less stringent than the existing guidelines and procedures; and

- (g) Where any of our Board or our Board Audit Committee members has an interest (direct or indirect) in an RRPT, he must declare his interest in the RRPT and abstain from participating in the decision of the Board or the Board Audit Committee on the said RRPT.

All transactions (including RRPTs) are subject to approvals based on our Group's LOA. Our LOA, which have been duly approved by the respective boards of directors of our Group, contain the prescribed approval limits (including thresholds for board of directors' approvals) determined based on grounds of practicality from the business and operational viewpoint unique to our Group. The threshold for the utilisation of the approved mandate is also subject to our LOA prior to the award of contracts in relation to the transactions contemplated under the Proposed Shareholders' Mandate.

Under normal circumstances, procurement is conducted in line with guidelines set by our Group's procurement division, which would require comparisons of at least three quotations for the same, or substantially similar types of, products, services, and the same (or substantially similar) quantity of products or services, from unrelated third parties. However, given the nature and type of transactions that we enter into, in a number of occasions, it is not possible to find at least two other contemporaneous transactions with unrelated third parties for similar products, services or quantities thereof which can be used as comparison to determine whether the prices and terms offered to or by our Company by or to our Related Parties, as the case may be, are fair and reasonable and comparable to those offered to or by other unrelated third parties.

In these instances, prices are determined based on market knowledge and on normal commercial terms in accordance with our Group's policies, which require (among others) that transactions with Related Parties are undertaken on an arm's length basis, are carried out on normal commercial terms and are not detrimental to our minority shareholders, Company or Group.

Besides pricing, we also have a procurement policy that selects vendors and suppliers not based on pricing alone but also on other intrinsic factors, such as quality and nature of goods or services, reliability, lead time and all other relevant business circumstances and considerations.

## **2.7 Statement By Our Board Audit Committee**

Our Board Audit Committee has seen and reviewed the procedures described in Section 2.6 of this Circular and is of the opinion that these procedures are adequate and sufficient to monitor,

track and identify RRPTs in a timely and orderly manner, and to ensure that RRPTs are on an arm's length basis, are on terms that are not more favourable to the Related Parties than those generally available to the public, and are not to the detriment of our minority shareholders.

## 2.8 Rationale For And Benefits Of The Proposed Shareholders' Mandate

The RRPTs that have been entered into and that will be entered into by our Group are necessary for our business and are intended to meet our business needs on the best possible terms.

We should be able to have access to all available markets, products and services provided by all vendors including Related Parties, and to provide products and services to all persons, including our Related Parties. This will enhance our ability to explore beneficial opportunities as well as to promote cross-selling which is beneficial to our Group.

The RRPTs are likely to continue in the future on a frequent and recurrent basis from time to time. In addition, these transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek your prior approval on a case-by-case basis before entering into such transactions. The Proposed Shareholders' Mandate will, therefore, substantially reduce the expenses relating to the convening of general meetings on an ad hoc basis and improve administrative efficiency.

The RRPTs are transactions in the ordinary course of our business, are made on an arm's length basis, are 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.

## 2.9 Interests Of Directors, Major Shareholders And Their Connected Persons

Save for those disclosed herein, none of our Major Shareholders and their Connected Persons, and our Directors and their Connected Persons, have any interest, direct or indirect, in the Proposed Shareholders' Mandate. Their direct and indirect shareholdings in our Company, based on the Register of Substantial Shareholders as of the LPD are as set forth:

Interested parties	Direct		Indirect	
	Number of Axiata Shares	%	Number of Axiata Shares	%
<b><u>Major Shareholder</u></b>				
Khazanah	3,343,841,357	36.44	27,271,260*	0.30
EPF	1,562,369,628	17.03	0	0

*Note:*

*\* Includes 13,572,630 Axiata Shares held via Citigroup Nomines (Tempatan) Sdn. Bhd. and 13,698,630 Axiata Shares held via CGS-CIMB Nominees (Tempatan) Sdn. Bhd., the Exempt Authorised Nominee for CGS-CIMB Securities Sdn. Bhd. (SBL-KNB)*

Khazanah and EPF, being the Major Shareholders of our Company, are deemed interested in the Proposed Shareholders' Mandate.

Our Directors, Ong King How (Director of Investments of Khazanah) and Nurhisham Hussein (Chief Strategy Officer of EPF), together "**Representative Directors**", who are full-time executives of Khazanah and EPF, are Khazanah and EPF's representatives on our Board and accordingly, have abstained and will continue to abstain from deliberating and voting on the Proposed Shareholders' Mandate at our Company's relevant Board meetings. The Representative Directors do not have any direct or indirect interest in our Company.

Khazanah, EPF and the Representative Directors will abstain from voting in respect of their direct or indirect shareholdings in our Company (if any) on the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at our forthcoming AGM and have also undertaken to ensure that Persons Connected to them will abstain from voting in respect of their direct or indirect shareholdings in our Company (if any), deliberating or approving the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at our forthcoming AGM.

### 3. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate is not expected to have any effect on our issued shares or the shareholdings of our substantial shareholders. However, the Proposed Shareholders' Mandate may have a material effect on our consolidated net assets and consolidated earnings for the financial year ending 31 December 2022.

### 4. APPROVALS REQUIRED

The Proposed Shareholders' Mandate is subject to your approval at our forthcoming 30th AGM.

### 5. DIRECTORS' STATEMENT

Our Board (save for Ong King How and Nurhisham Hussein, who have abstained from deliberation and voting in respect of the Proposed Shareholders' Mandate), having considered all aspects of the Proposed Shareholders' Mandate, is of the opinion that the Proposed Shareholders' Mandate is in the best interest of our Company and recommends that you vote in favour of the ordinary resolution pertaining to the Proposed Shareholders' Mandate at our forthcoming AGM.

### 6. CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

As at the LPD, the corporate proposals announced but pending completion of our Group are as follows:

#### (a) **Proposed Merger of Celcom Axiata Berhad ("Celcom") and Digi.Com Berhad ("Digi")**

On 8 April 2021, our Board had announced that Axiata and Telenor Asia Pte Ltd ("**Telenor Asia**") (collectively, the "**Parties**") are in advanced discussions to undertake a merger of the telco operations of Celcom and Digi ("**MergeCo**").

Our Board had, on 21 June 2021, announced that the Parties have successfully concluded the due diligence exercise and entered into the following agreements for the proposed merger ("**Proposed Merger**"):

- (i) a master transaction agreement with Telenor Asia and Telenor ASA ("**Telenor**"); and
- (ii) a conditional share purchase agreement with Digi.

On the closing of the share purchase agreement, Axiata intends to enter into a shareholders' agreement with Telenor Asia and Telenor to establish the respective rights and obligations of the parties with respect to the activities and governance of MergeCo as well as ownership and disposition of the securities in MergeCo.

(The share purchase agreement, master transaction agreement and the agreed form of the shareholders' agreement are collectively referred to as the "**Transaction Agreements**").

At completion, the merger of Celcom and Digi will result in Axiata receiving newly issued ordinary shares in Digi, representing 33.10% of the enlarged issued share capital of

Digi, cash consideration of RM2.0 billion adjusted with movement in net debt and working capital of which RM1.7 billion from Digi as new debt and RM297.9 million from Telenor Asia for the purpose of ownership equalisation under the terms of the Transaction Agreements.

Our Board had, on 24 November 2021, also announced that the MergeCo has initiated engagement with the Malaysian Communications and Multimedia Commission for the merger assessment process in relation to the Proposed Merger. On 28 January 2022, our Board also announced that Axiata has been informed by Digi that an application to the Securities Commission of Malaysia to seek its approval for the Proposed Merger has been submitted by Digi on 28 January 2022.

Completion of the transaction will be subject to the approval of both the Company and Digi shareholders, regulatory approvals and other customary terms and conditions. Barring any unforeseen circumstances, the Proposed Merger is expected to be completed within the second half of 2022.

(b) **Proposed Joint Submission for a Digital Banking Licence to Bank Negara Malaysia (“BNM”)**

Our Board had, on 2 June 2021, announced that our Group and RHB Bank Berhad (“**RHB Bank**”) have agreed to collaborate and to jointly apply to BNM for a digital bank licence, and the proposed Group entity selected to collaborate with RHB Bank for the joint application for the digital bank licence is Boost Holdings Sdn. Bhd. (“**Boost Holdings**”), a subsidiary of Axiata Digital Services Sdn Bhd. In relation to the foregoing, Boost Holdings and RHB Bank had, on 2 June 2021, entered into a heads of agreement setting out the terms of the proposed application to BNM for a digital banking licence. The joint application for the digital bank licence by the parties was submitted to BNM on 30 June 2021.

(c) **Proposed Acquisition of 66.03% Equity Interest in PT Link Net TBK (“Link Net”)**

Our Board had, on 30 July 2021, announced that Axiata and its indirect 61.48% owned subsidiary, PT XL Axiata Tbk (“**XL**”) had entered into a non-binding term sheet with Asia Link Dewa Pte. Ltd. and PT First Media Tbk (collectively, referred to as the “**Sellers**”) to facilitate discussions and negotiations for a potential acquisition of 1,816,735,484 ordinary shares representing approximately 66.03% equity interest in Link Net owned by the Sellers.

Axiata Investments (Indonesia) Sdn Bhd (“**All**”), an indirect wholly owned subsidiary of Axiata, and XL (“collectively referred to as the “**Purchasers**”) had on 27 January 2022 entered into a conditional share purchase agreement (“**SPA**”) with the Sellers for the proposed of an aggregate 66.03% equity interest in Link Net. The purchase consideration has been agreed at IDR4,800 per ordinary share (equivalent to approximately RM1.40 per ordinary share) in Link Net (“**Link Net Share**”) or approximately IDR8.7 trillion (equivalent to approximately RM2.5 billion) (the “**Proposed Acquisition**”).

Under the terms of the SPA, All and XL shall acquire 46.03% and 20.00% respectively from the combined equity interest of 66.03% in Link Net held by the Sellers. All will be obligated to undertake a mandatory tender offer to acquire the remaining 33.97% Link Net Shares pursuant to regulatory requirements in Indonesia (“**Proposed MTO**”).

The Proposed Acquisition and Proposed MTO are expected to be completed in the third quarter of 2022 and will be subjected to customary completion conditions, including regulatory and shareholder approvals. The Proposed Acquisition and Proposed MTO will be funded via a combination of internally generated funds and/or bank borrowings, the proportion of which will be determined at a later date.

## **7. AGM**

The resolution in respect of the Proposed Shareholders' Mandate will be tabled at the forthcoming AGM. This Circular is available at <https://www.axiata.com/investors/agm/> together with, amongst others, the Notice of the 30th AGM, Proxy Form and the Administrative Notes of Axiata.

The 30th AGM will be held on Thursday, 26 May 2022 at 9.30 a.m. or at any adjournment thereof. The broadcast venue for the AGM is at Auditorium, Level 32, Corporate Headquarters, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia.

The voting of the 30th AGM will be conducted on a poll. If you are unable to attend and vote by yourself at the 30th AGM, please complete, execute and deposit the Proxy Form, in accordance with the instructions therein, to our share registrar, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or at its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia no later than Wednesday, 25 May 2022 at 9.30 a.m. The proxy appointment may also be lodged electronically via Tricor's TIIH Online website at <https://tiih.online> no later than Wednesday, 25 May 2022 at 9.30 a.m. For further information on the electronic lodgement of Proxy Form, kindly refer to the Administrative Notes.

You may attend and vote by yourself at our forthcoming AGM if you wish to do so even after you have completed and returned the Proxy Form so long as you revoke the appointment of your proxy prior to the 30th AGM.

## **8. Further Information**

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

Yours faithfully,  
For and on behalf of the Board of  
**AXIATA GROUP BERHAD**

**Tan Sri Shahril Ridza Ridzuan**  
**Chairman, Independent Non-Executive Director**



## DETAILS OF RRPTS TO BE ENTERED INTO WITH OUR RELATED PARTIES

## Proposed Shareholders' Mandate

Transacting Companies in Axiata Group	Transacting Related Parties	Interested Major Shareholder / Director	Nature of Relationship	Nature of RRPT	2021 Shareholders' Mandate		Estimated value of the Proposed Shareholders' Mandate (RM'000) <sup>(2)</sup>
					Estimated Value (RM'000)	Actual Value (RM'000) <sup>(1)</sup>	
Axiata Group	TM Group	Khazanah and Ong King How	In addition to Khazanah's shareholdings in Axiata Group, Khazanah is also the Major Shareholder of TM Group.	<b>Revenue</b>			
				<b>Telecommunication and related services</b>			
				Interconnect payment from TM Group	17,000	14,559	17,000
		EPF and Nurhisham Hussein	Ong King How is Khazanah's representative on Axiata's Board.	Dark fibre and leased-line from Celcom Group to Fibrecomm Network (M) Sdn. Bhd.	4,000	3,109	4,000
				Leased-line from Celcom Group to Fiberail Sdn. Bhd.	1,000	284	1,000
				Transmission revenue on the services by Axiata Group to TM	3,000	2,344	6,000
				Infrastructure leasing and related services including managed services receivable from TM Group to Axiata Group	80,000	75,925	82,000
			Nurhisham Hussein is EPF's representative on Axiata's Board	Domestic roaming revenue and Provision of 4G Multi-Operator Core Network ("MOCN") by Celcom Group to TM Group	100,000	62,727	110,000

## DETAILS OF RRPTS TO BE ENTERED INTO WITH OUR RELATED PARTIES (cont'd)

Transacting Companies in Axiata Group	Transacting Related Parties	Interested Major Shareholder / Director	Nature of Relationship	Nature of RRPT	2021 Shareholders' Mandate		Estimated value of the Proposed Shareholders' Mandate (RM'000) <sup>(2)</sup>
					Estimated Value (RM'000)	Actual Value (RM'000) <sup>(1)</sup>	
Axiata Group	TM Group	Khazanah and Ong King How  EPF and Nurhisham Hussein	In addition to Khazanah's shareholdings in Axiata Group, Khazanah is also the Major Shareholder of TM Group.  Ong King How is Khazanah's representative on Axiata's Board.  In addition to EPF's shareholdings in Axiata Group, EPF is also the Major Shareholder of TM Group.  Nurhisham Hussein is EPF's representative on Axiata's Board	<b>Costs</b>			
				<b>Telecommunication and related services</b>			
				Interconnect cost to TM Group	12,500	11,725	22,000
				Voice Over Internet Protocol related services by TM Group to Axiata Group	1,000	0	1,000
				Leased-line related costs to TM Group	13,000	12,510	28,000
				Provision of data and bandwidth related services by TM Group to Axiata Group	111,000	88,950	130,000
				Provision of contact centre and business process outsourcing services by VADS Berhad to Axiata Group	35,000	14,798	35,000
				Leasing of fibre optic core and provision of bandwidth services from Fiberail Sdn. Bhd. to Celcom Group	500	212	500

## DETAILS OF RRPTS TO BE ENTERED INTO WITH OUR RELATED PARTIES (cont'd)

Transacting Companies in Axiata Group	Transacting Related Parties	Interested Major Shareholder / Director	Nature of Relationship	Nature of RRPT	2021 Shareholders' Mandate		Estimated value of the Proposed Shareholders' Mandate (RM'000) <sup>(2)</sup>
					Estimated Value (RM'000)	Actual Value (RM'000) <sup>(1)</sup>	
Axiata Group	TM Group	Khazanah and Ong King How	In addition to Khazanah's shareholdings in Axiata Group, Khazanah is also the Major Shareholder of TM Group.  Ong King How is Khazanah's representative on Axiata's Board.	Purchase of dark fibre, bandwidth, space & facility from Fibrecomm Network (M) Sdn Bhd to Celcom Group	5,000	3,741	5,500
				<b>Non-telecommunication services</b>  Site rental payable for telecommunication infrastructure, equipment and related charges by Axiata Group to TM Group	47,000	35,547	48,000
		EPF and Nurhisham Hussein	In addition to EPF's shareholdings in Axiata Group, EPF is also the Major Shareholder of TM Group.  Nurhisham Hussein is EPF's representative on Axiata's Board	<b>TOTAL</b>	<b>430,000</b>	<b>326,431</b>	<b>490,000</b>

## DETAILS OF RRPTS TO BE ENTERED INTO WITH OUR RELATED PARTIES (cont'd)

Transacting Companies in Axiata Group	Transacting Related Parties	Interested Major Shareholder / Director	Nature of Relationship	Nature of RRPT	2021 Shareholders' Mandate		Estimated value of the Proposed Shareholders' Mandate (RM'000) <sup>(2)</sup>
					Estimated Value (RM'000)	Actual Value (RM'000) <sup>(1)</sup>	
Axiata Group	edotco Group Sdn. Bhd. and/or its subsidiaries ("edotco Group")	Khazanah, Ong King How	In addition to Khazanah's shareholdings in Axiata Group, Khazanah, through its wholly owned subsidiary, Mount Bintang Sdn. Bhd. is also the Major Shareholder of edotco.  Kenneth Shen is Khazanah's representative on edotco's Board.	<b><u>Revenue to Axiata Group/ Cost to edotco Group</u></b>			
				<b>Telecommunication and related services</b>			
				Repair & maintenance & other service charges by Axiata Group to edotco Group	13,000	3,287	20,000
				Technical and management services fees and other services charges by Axiata Group to edotco Group	17,000	9,205	15,000
				<b><u>Cost to Axiata Group/ Revenue to edotco Group</u></b>			
				<b>Telecommunication and related services</b>			
				Infrastructure leasing and related services including managed and field line maintenance services by edotco Group to Axiata Group	1,260,000	1,009,946	1,380,000
				<b>TOTAL</b>	<b>1,290,000</b>	<b>1,022,438</b>	<b>1,415,000</b>

## DETAILS OF RRPTS TO BE ENTERED INTO WITH OUR RELATED PARTIES (cont'd)

Transacting Companies in Axiata Group	Transacting Related Parties	Interested Major Shareholder / Director	Nature of Relationship	Nature of RRPT	2021 Shareholders' Mandate <sup>(4)</sup>		Estimated value of the Proposed Shareholders' Mandate (RM'000) <sup>(2)</sup>
					Estimated Value (RM'000)	Actual Value (RM'000)	
Axiata Group	Khazanah Nasional Bhd and/or its other related entities ("Khazanah Group")	Khazanah, Ong King How	In addition to Khazanah's shareholdings in Axiata Group, Khazanah is also the Major Shareholder of these companies.	<b><u>Revenue to Axiata Group/ Cost to other related entities in Khazanah Group</u></b>			
				<b>Telecommunication and related services</b>			
				Leased line services	-	-	1,000
				Cybersecurity, Network and Managed Services	-	-	64,000
				<b>Non-telecommunication services</b>			
				Disposal of Asset - Recycling services	-	-	1,000
				<b><u>Cost to Axiata Group/ Revenue to other related entities in Khazanah Group</u></b>			
				<b>Telecommunication and related services</b>			
				Provision of telecommunication services	-	-	9,000
				Site rental	-	-	2,000
				<b>Non-telecommunication services</b>			
				Transportation and Dismantling Costs	-	-	3,000
<b>TOTAL</b>				-	-	<b>80,000</b>	

**Notes:**

- <sup>(1)</sup> The actual values represent RRPTs transacted from 15 June 2021 to 31 March 2022.
- <sup>(2)</sup> The estimated values of the transactions from 26 May 2022 (date of our forthcoming AGM) for an estimated validity period of one (1) year are based on best estimates by our management using historical trends and projected business transaction growth. The actual value may vary, exceed or be lower than, the estimates shown above.
- <sup>(3)</sup> The RRPTs disclosed herein are premised on the basis that the Proposed Merger between Celcom Axiata Berhad and Digi is yet to be completed.
- <sup>(4)</sup> There was no shareholders' mandate sought for such RRPTs in 2021 as these are new RRPTs to be transacted with other entities in Khazanah Group for the financial year ending 2022 until the next AGM, due to our Group's acquisition of new entities during the year.

*(The rest of this page has been intentionally left blank)*

## 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 the omission of which would make any statement in this Circular misleading.

### 2. MATERIAL CONTRACTS

Neither we nor any of our subsidiaries have entered into any contract outside the ordinary course of business which are or may be material during the two years immediately preceding the LPD, save as follows:

- (a) On 30 November 2021, edotco Malaysia Sdn. Bhd., a wholly owned subsidiary of edotco Group Sdn. Bhd. which in turn is a 63.0% owned subsidiary of Axiata, entered into a share sale agreement ("**SSA**") with Touch Group Holdings Sdn. Bhd. ("**TGHSB**") for the acquisition of the entire issued and paid-up share capital of Touch Mindscape Sdn. Bhd. comprising 14,100,000 ordinary shares, and 10,900,000 preference shares held by TGHSB for a total purchase consideration of RM1,700 million. Axiata also entered into a memorandum of understanding with TGHSB to jointly explore potential opportunities to collaborate in the information and communications technology infrastructure industry in Malaysia.

The acquisition was completed on 20 December 2021 for a net purchase consideration of RM1,586.4 million after adjustments provided under the terms and conditions of the SSA. Accordingly, our Group's equity interest in Touch Mindscape Sdn. Bhd. is 63.0% as at 31 December 2021 and the LPD.

- (b) On 21 June 2021, Axiata entered into the following agreements:
- (i) a conditional share purchase agreement with Digi, where subject to the terms and conditions of the share purchase agreement, 100% equity interest of Celcom Axiata Berhad ("**Celcom**") held by Axiata shall be transferred to Digi for a total consideration of RM17.8 billion ("**Combination Consideration**") and the Combination Consideration shall be settled by:
- (A) the issuance by Digi of 3,883,129,144 new ordinary shares in Digi ("**Digi Shares**") or such number of Digi Shares representing 33.10% of the enlarged issued share capital of Digi to Axiata on the closing of the share purchase agreement;
- (B) the issuance by Digi of 73,378,844 new Digi Shares or such number of Digi Shares representing 0.63% of the enlarged issued share capital of Digi ("**Relevant Digi Shares**") to Telenor Asia as nominee of Axiata on the closing of the share purchase agreement subject to, amongst others, the receipt by Axiata of a cash consideration of RM297.9 million ("**Relevant Digi Shares Cash Consideration**") for the purpose of the Proposed Equalisation (as defined hereunder) in accordance with the master transaction agreement;
- (C) subject to adjustment as set out in the share purchase agreement, the payment by Digi of a cash consideration of RM1.7 billion to Axiata on the closing of the share purchase agreement; and

- (ii) a master transaction agreement with Telenor Asia and Telenor ASA (“**Telenor**”), where amongst others, Telenor and Axiata agree to, and shall procure their respective affiliates to, co-operate with each other for the purpose of achieving the closing of the share purchase agreement, and subject to the terms of the share purchase agreement, Telenor Asia shall on the closing of the share purchase agreement:
- (A) subscribe for the Relevant Digi Shares; and
- (B) pay Axiata the Relevant Digi Shares Cash Consideration on the closing of the share purchase agreement (“**Proposed Equalisation**”).
- (c) On 27 January 2022, Axiata Investments (Indonesia) Sdn Bhd (“**All**”), an indirect wholly-owned subsidiary of Axiata, and PT XL Axiata Tbk (“**XL**”), an indirect 61.48% owned subsidiary of Axiata, entered into a conditional share purchase agreement with Asia Link Dewa Pte. Ltd. and PT First Media Tbk (collectively referred to as the “**Sellers**”), for the proposed acquisition of 1,816,735,484 ordinary shares (“**Link Net Shares**”) in PT Link Net Tbk (“**Link Net**”), representing approximately 66.03% equity interest in Link Net for a total cash consideration of Indonesian Rupiah 8,720.3 billion (equivalent to approximately RM2,546.3 million) (“**Proposed Acquisition**”).

Upon completion of the Proposed Acquisition, the aggregate shareholdings of All and XL in Link Net will increase from nil to 66.03% resulting in a change of control of Link Net, following which All will be obligated to undertake the proposed mandatory tender offer to acquire all the remaining Link Net Shares not owned by All and XL after the Proposed Acquisition pursuant to OJK Regulation No. 9/POJK.04/2018 on Public Company Takeover issued by the Indonesian Financial Services Authority (Otoritas Jasa Keuangan).

### 3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

As at the LPD, save as disclosed below, our Board is not aware of any material commitments incurred or known to be incurred by our Group which upon becoming enforceable, may have a material impact on the financial position of our Group.

#### Material commitments:

Capital expenditure	Axiata Group
	RM (mil) <sup>(1)</sup>
Approved and contracted for	3,957
<b>Total</b>	<b>3,957</b>

Note:

(1) Based on closing exchange rate as at 31 March 2022.

As at the LPD, save as disclosed below, our Board is not aware of any contingent liabilities incurred or known to be incurred by our Group which upon becoming enforceable, may have a material impact on the financial position of our Group.

#### Contingent liabilities:

Description	Axiata Group
	RM (mil) <sup>(1)</sup>
Litigation and claims by third parties against subsidiaries of Axiata	15,451
<b>Total exposure</b>	<b>15,451</b>

Note:

(1) Based on closing exchange rate as at 31 March 2022.



#### 4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, neither we nor any of our subsidiaries are engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant, which may materially adversely affect our income from, title to, or possession of any of our assets and/or business, and we are not aware of any proceedings, pending or threatened, or of any facts likely to give rise to any proceedings which may materially adversely affect the financial position or business of our Group, save as follows:

(a) **Celcom Axiata Berhad (formerly known as Celcom (Malaysia) Berhad) (“Celcom”) and Celcom Resources Berhad (formerly known as Technology Resources Industries Berhad) (“Celcom Resources”) vs Tan Sri Dato’ Tajudin bin Ramli (“TSDTR”) & 6 Others**

On 24 October 2008, Celcom and Celcom Resources commenced proceedings against five (5) of its former directors, namely (i) TSDTR, (ii) Dato’ Bistaman bin Ramli (“**BR**”), (iii) Dato’ Lim Kheng Yew (“**DLKY**”), (iv) Axel Hass (“**AH**”), and (v) Oliver Tim Axmann (“**OTA**”) (the Defendants named in items (iv) and (v) are collectively referred to as the “**German Directors**”), as well as (vi) DeTeAsia Holding GmbH (“**DeTeAsia**”) and (vii) Beringin Murni Sdn. Bhd. (collectively with the German Directors referred to as “**Defendants**”).

Celcom and Celcom Resources are seeking for damages for conspiracy against the Defendants. Celcom and Celcom Resources claim that the Defendants wrongfully and unlawfully conspired with each other to injure Celcom and Celcom Resources by causing and/or committing Celcom and Celcom Resources to enter into the Supplemental Agreement to the Subscription Agreement and the Management Agreement dated 7 February 2002 (“**the 2002 Supplemental Agreement**”) and the Amended and Restated Supplemental Agreement dated 4 April 2002 with DeTeAsia (“**the ARSA**”) in consideration for the renunciation by DeTeAsia of certain rights issue shares in Celcom Resources in favour of TSDTR and BR (“**Main Suit 1**”).

Separately, Celcom and Celcom Resources reached an amicable settlement with DLKY and the said companies filed their respective notice of discontinuance with no order as to costs and without liberty to file afresh against DLKY on 6 March 2015.

On 23 June 2016, TSDTR and BR filed a statement of defence (“**Defence for Main Suit 1**”) and counterclaim against Celcom, Celcom Resources and Telekom Malaysia Berhad (“**TM**”), seeking among others payment of the sum of RM6,246.5 million or alternatively the sum of RM7,214.9 million together with interest, being the amount claimed by TSDTR and BR in their counterclaims filed in the Kuala Lumpur High Court, Suit No. D2-22-673-2006 (“**Danaharta Suit**”) which was subsequently withdrawn pursuant to a purported global settlement which did not include Main Suit 1 (“**TSDTR and BR’s Counterclaim for Main Suit 1**”). The German Directors filed their respective defences on 30 June 2017. TM filed an application to intervene in the Main Suit 1 in light of the allegations made against TM in TSDTR and BR’s Counterclaim against Main Suit 1.

The trial and TSDTR and BR’s Counterclaim for Main Suit 1 commenced on 22 January 2018. Celcom and Celcom Resources obtained leave to continue proceedings against TSDTR and BR in light of a Receiving Order and Adjudication Order (“**ROAO**”) obtained against TSDTR and BR on 8 May 2018. TSDTR and BR were also granted leave to defend their case and continue with the TSDTR and BR Counterclaim against Main Suit 1.

Celcom and Celcom Resources have reached an amicable settlement with DeTeAsia and the German Directors in relation to the conspiracy and the indemnity suits. The parties entered into a settlement agreement dated 15 November 2021 without any admission of liability by the parties and pursuant to the foregoing, Celcom and Celcom

Resources will discontinue the conspiracy and the indemnity suits and without liberty to file afresh against DeTeAsia.

The application for leave to discontinue the trial against DeTeAsia and the German Directors and record consent judgment was heard on 19 November 2021. The Kuala Lumpur High Court has since fixed 20 April 2022 to hear oral submissions by both parties against TSDTR and BR, and will thereafter fix a decision date.

The solicitors are of the opinion that Celcom and Celcom Resources have reasonable prospects of success in their claims for indemnity against TSDTR and BR, and that Celcom and Celcom's also have reasonable prospects of successfully defending TSDTR and BR's Counterclaim for Main Suit 1.

**(b) Celcom & Another vs TSDTR & 8 Others**

On 28 April 2006, Celcom and Celcom Resources instituted a claim against nine of its former directors (namely (i) TSDTR, (ii) BR, (iii) DLKY, (iv) Dieter Sieber ("**DS**"), (v) Frank-Reinhard Bartsch ("**FRB**"), (vi) Joachim Gronau, (vii) Joerg Andreas Boy ("**JAB**"), (viii) AH, and (ix) OTA), (the Defendants named in items (iv) to (ix) collectively referred to as the "**German Directors**") (collectively referred to as "**Defendants**").

Celcom and Celcom Resources are seeking an indemnity from the Defendants, for the sums paid by Celcom to DeTeAsia in satisfaction of the award granted in August 2005 ("**Award**") handed down by the Tribunal of the International Court of Arbitration of the International Chamber of Commerce in Paris ("**ICC**") alleging that they had breached their fiduciary duties by causing Celcom Resources to enter into a Subscription Agreement dated 25 June 1996 with Deutsche Telekom AG ("**Subscription Agreement**"), and Celcom and Celcom Resources to enter into the ARSA with TR International Ltd and DeTeAsia whilst they were directors of Celcom and Celcom Resources.

In addition, Celcom and Celcom Resources have also made a claim against TSDTR only, for return of the alleged unauthorised profits made by him, all monies received by the directors arising out of such breaches, losses and damages in connection with the abovementioned agreements ("**Main Suit 2**").

In brief, Celcom and Celcom Resources are seeking for the following:

- (i) A declaration that the Defendants have acted in breach of their fiduciary duties and are liable to indemnify Celcom in relation to the sums paid out to DeTeAsia pursuant to the Award where the ICC found Celcom to be liable for the following:
  - (aa) The sum of USD177.2 million (RM745.2 million) being the principal sum plus USD16.3 million (RM68.3 million) representing interest at the rate of 8.0% for the period from 16 October 2002 to 27 June 2003;
  - (bb) The cost of arbitration amounting to USD0.8 million (RM3.4 million); and
  - (cc) The sum of USD1.8 million (RM7.6 million) representing the legal costs.
- (ii) Damages for various breaches of fiduciary duties committed by them in relation to the entry into the Subscription Agreement and the ARSA.
- (iii) The unauthorised profits claimed to have been made by TSDTR, amounting to RM446.0 million.

The Kuala Lumpur High Court had ruled that the claim against the nine directors as well as Main Suit 2 will be jointly heard with the claims as set out in section 4(a) of Appendix II of this Circular.

The solicitors are of the opinion that Celcom and Celcom Resources have reasonable prospects of success in their claims for indemnity, and that Celcom and Celcom Resources' prospects of successfully defending TSDTR and BR's Counterclaim for Main Suit 2 are reasonably good.

(c) **Robi Axiata Limited ("Robi") vs Commissioner of Large Taxpayer Unit ("LTU-VAT") and Ors. (SIM Replacement Tax)**

**Robi SIM Replacement Dispute 2007-2011**

On 17 May 2015, the LTU-VAT of the National Board of Revenue ("**LTU-VAT of the NBR**") issued a revised demand letter for BDT4,145.5 million (RM202.0 million) [the earlier show cause letter dated 23 February 2012 for BDT6,549.9 million (RM319.2 million)] ("**2007 to 2011 Revised Claim**") to Robi alleging that Robi had evaded payment of supplementary duty and VAT levied on the issuance of a certain number of SIM cards to new customers of Robi for the duration from March 2007 to June 2011 when such SIM cards were issued as replacement cards to the existing subscribers of Robi.

In August 2015, Robi filed an appeal against the 2007 to 2011 Revised Claim to the Customs, Excise and VAT Appellate Tribunal. Robi deposited 10.0% of the sum set out in the respective demand notices with the LTU-VAT of the NBR based on provisions of the VAT Act 1991. This appeal was first heard on 28 September 2016 by the Customs, Excise and VAT Appellate Tribunal and later reheard on 11 April 2017 by a reconstituted bench of the Customs, Excise and VAT Appellate Tribunal. The Customs, Excise and VAT Appellate Tribunal dismissed Robi's appeal.

In September 2017, Robi filed an appeal to the High Court Division against the Customs, Excise and VAT Appellate Tribunal's decision ("**VAT Appeal No.1**"). This VAT Appeal No. 1 is currently pending for hearing before the High Court Division.

**Robi SIM Replacement Dispute July 2012 to July 2015**

On 20 November 2017, the LTU-VAT of the NBR issued a demand letter for BDT2,852.0 million (RM139.0 million) ("**2012 to 2015 Claim**") to Robi alleging that Robi had evaded payment of supplementary duty and VAT levied on the issuance of certain number of SIM cards to new customers of Robi for the duration from July 2012 to June 2015 when such SIM cards were issued as replacement cards to the existing subscribers of Robi.

On 18 February 2018, Robi filed an appeal against the 2012 to 2015 Claim to the Customs, Excise and VAT Appellate Tribunal on the basis that replacement cards do not establish new connections and do not change existing subscribers' numbers. Robi deposited 10.0% of the sum set out in the respective demand notices with the LTU-VAT of the NBR based on provisions of the VAT Act 1991. This appeal was dismissed by the Customs, Excise and VAT Appellate Tribunal.

Robi then filed an appeal to the High Court Division against the Customs, Excise and VAT Appellate Tribunal's decision ("**VAT Appeal No.2**").

On 23 November 2020, both VAT Appeal No.1 and VAT Appeal No.2 pending in the High Court Division were fixed for hearing whereupon the High Court Division ordered parties to file the remaining paper books.

On 3 December 2020, the High Court Division took the view that Robi needed to file a revision application for the VAT Appeal No.2 under the new VAT and Supplementary

Duty Act 2012 which became effective on 1 July 2019, and pursuant thereto, to deposit a further 10.0% of the sum set out in the respective demand notices with the LTU-VAT of the NBR.

Robi had filed written arguments against such views on the basis that the new VAT and Supplementary Duty Act 2012 is not applicable. This legal point was heard on 2 March 2021 in which the High Court Division dismissed Robi's argument on the basis that the appeal was not maintainable and advised Robi to file a revision application under the new VAT and Supplementary Duty Act 2012, to which Robi had on 23 March 2021 filed the Civil Miscellaneous Petition For Leave To Appeal ("**CMP**") before the Appellate Division contending the dismissal.

While the CMP was pending for hearing, the High Court Division issued the certified copy of the judgement on maintainability on 23 August 2021. Upon obtaining the certified copy, Robi accordingly filed a Civil Petition for Leave to Appeal ("**CP**") before the Appellate Division of the Supreme Court of Bangladesh. The CP is now pending for hearing.

For all of the aforementioned SIM replacement dispute matters, the solicitors are of the opinion that the grounds on which Robi is relying on are legally sound, and there is no legitimate basis for the demands made by the LTU-VAT of the NBR.

**(d) Robi vs LTU-VAT of the NBR (VAT Audit)**

The LTU-VAT of the NBR issued 5 show cause cum demand notices to Robi for a total amount of BDT9,245.0 million (RM450.5 million). Robi filed writ petitions for judicial review on 3 May 2018 to challenge these claims. The details are as below. The LTU-VAT of the NBR referred the matter to the Directorate General of Audit Intelligence and Investigation ("**DGAI**") to re-examine the claims and as such, Robi is not pursuing the Writ Petitions.

- (i) The first show cause cum demand notice for BDT7,118.2 million (RM346.9 million) was issued based on the credit balance of VAT payable General Ledger ("**GL**") and VAT Return and VAT payable for the period from 2013 to 2016. While conducting its audit, the LTU-VAT of the NBR asked for month-on-month movement of output and withholding GL from Systems, Applications and Products i.e., SAP (Opening, debit balance during the month, credit balance during the month and closing balance). Robi had submitted the required documents. The LTU-VAT of the NBR just considered the total credit balance of SAP GL as payable and compared it with VAT return without considering the documents or explanation submitted by Robi.
- (ii) The second show cause cum demand notice for BDT910.5 million (RM44.4 million) alleges unpaid VAT on merger and spectrum fee. The LTU-VAT of the NBR which collected merger fee/spectrum information from the Bangladesh Telecommunication Regulatory Commission ("**BTRC**") in relation to merger directly, thereafter arbitrarily calculated VAT without considering Robi's documents and information regarding actual payment to BTRC. This issue has already been covered in item (i), nevertheless the LTU-VAT of the NBR still arbitrarily made the same claim separately.
- (iii) The third show cause cum demand notice for BDT16.5 million (RM0.8 million) is to claim that VAT is payable on interconnection charges from Bangladesh Telecommunications Limited ("**BTCL**") for 2012. The output VAT for BTCL service to customer is centrally collected by the LTU-VAT of the NBR and that BTCL cannot adjust input VAT on interconnection charges payable to Robi. Therefore, BTCL did not pay the VAT on same to Robi. This issue has already been covered in item (i), nonetheless the LTU-VAT of the NBR still arbitrarily made the same claim separately.

- (iv) The fourth show cause cum demand notice for BDT35.7 million (RM1.7 million) is to claim that VAT is payable on interconnection charges from BTCL for 2013 to 2016 (the issue is same as item (iii) of this case but relating to different period (2013-2016)).
- (v) The fifth show cause cum demand notice for BDT1,164.1 million (RM56.7 million) is for VAT rebate cancellation on imported telecom items. The LTU-VAT of the NBR directly collected imports information from Customs Authority, then cancelled few imported items such as battery, switch, cable, router, system, etc. on arbitrary basis. These are the integral parts of machineries and spare parts.

Pursuant to re-examinations of the aforementioned demand notices by the DGAI, the LTU-VAT of the NBR issued 4 new show cause notices dated 22 March 2020 to Robi on the cumulative amount of BDT7,459.5 million (RM363.5 million) for the period of January 2013 to December 2016, details of which are set out as follows:

- (i) The first show cause notice is on BDT3,676.0 million (RM179.1 million) in relation to VAT deducted at source on grounds of (I) withholding VAT on handsets; (II) withholding VAT on dealer's commission; (III) withholding VAT not paid on revenue sharing on the basis of audited financial statements; (IV) less withholding VAT paid on the basis of audited accounts etc.
- (ii) The second show cause is on BDT394.3 million (RM19.3 million) in relation to VAT of BDT368.6 million (RM18.0 million) and supplementary duty payment of BDT25.7 million (RM1.3 million) based on Robi's audited financial statements.
- (iii) The third show cause notice is on BDT1,308.0 million (RM63.7 million) in relation to VAT on revenue sharing.
- (iv) The fourth show cause notice is on BDT2,081.2 million (RM101.4 million) in relation to VAT rebate cancellation.

Robi had filed writ petitions for judicial review on 27 June 2020 to the High Court Division against these 4 new show-cause notices. The High Court Division subsequently issued rules nisi in favour of Robi on 31 August 2020. The rules nisi are pending for hearing.

The solicitors are of the opinion that the grounds on which Robi has challenged the notices is legally sound.

#### **(e) Robi vs BTRC**

The BTRC conducted an audit on Robi's information system for the years between 1997 to 2014 and issued a claim of BDT8,672.4 million (RM422.6 million) against Robi on 31 July 2018 ("**Information System Audit Claim**"). This Information System Audit Claim is disputed by Robi and a Notice of Arbitration was served on BTRC on 30 May 2019.

On 13 June 2019, notwithstanding Robi's Notice of Arbitration, the BTRC directed Robi to make payment for the Information System Audit Claim within 10 days. Challenging the demand, Robi filed a suit on 25 August 2019 before the Joint District Judge, Dhaka seeking a declaration and permanent injunction against BTRC's Information System Audit Claim. The District Court admitted the suit.

Additionally, Robi filed an application seeking an ad interim relief in relation to: (i) temporary injunction restraining BTRC from demanding payment of the Information System Audit Claim; (ii) temporary injunction restraining BTRC from causing any interference with the operation of Robi's mobile telecommunication services; and (iii) direction from the court to the effect that BTRC shall issue all relevant No Objection

Certificate(s) for the importation of telecommunication equipment and software, and grant all relevant approvals for tariff, service, package, etc. as and when required by Robi from time to time.

The abovementioned application for ad interim relief was dismissed on 1 September 2019 by the Joint District Judge, Dhaka. Robi referred an appeal before the High Court Division in respect of the rejection of temporary injunction application on 5 September 2019.

On 5 January 2020, the High Court Division issued an injunction upon BTRC on condition that Robi deposit BDT1,380.0 million (RM69.0 million) in five instalments. Robi has deposited these five equal instalments up to 31 May 2020. Robi had on 31 March 2022 filed its written statement at the High Court Division. This matter is currently pending for hearing before the Joint District Judge in Dhaka.

The solicitors are of the opinion that Robi has reasonable grounds for success.

**(f) Robi vs LTU-VAT of the NBR (VAT Rebate Cancellation)**

For the period of 2010 to 2016, Robi claimed rebate for input VAT payable on certain services and goods related to capital machineries (i.e. antenna, cable, media gateway switch, battery, modem, telephone and telegraphic switch, power system, optical multi service systems, universal service router, printed service board, racks, etc.). The LTU-VAT of the NBR cancelled the rebates and issued the following demand notices cumulatively for BDT3,636.2 million (RM177.3 million) to which Robi is challenging:

- (i) The demand notice for the period of March 2012 to April 2013 is for BDT830.6 million (RM40.5 million).
- (ii) The demand notice for the period of July 2013 to June 2014 is for BDT596.8 million (RM29.1 million).
- (iii) The demand notice for the period of July 2014 to January 2016 is for BDT993.2 million (RM48.4 million).
- (iv) The demand notice for the period of February 2016 to April 2016 for BDT41.0 million (RM2.0 million).
- (v) The demand notice for the period of May 2016 to December 2016 is for BDT707.7 million (RM34.5 million).
- (vi) The demand notice for the financial years of 2010 to 2012 is for BDT466.9 million (RM22.8 million).

Robi filed VAT appeals to the High Court Division on 26 August 2013 for item (i), 21 January 2019 for items (ii) to (v), and on 1 June 2020 for item (vi). For item (i), Robi paid the amount in full. For items (ii) to (vi), Robi deposited 10.0% of the sum set out in the respective demand notices with the LTU-VAT of the NBR based on the provisions of the VAT Act 1991.

All the cases are currently pending for hearing before the High Court Division and the solicitors are of the opinion that Robi has reasonable grounds for success.

**(g) Robi vs Commissioner of Taxes**

The Commissioner of Taxes assessed the income tax return of Robi and disallowed certain losses and expenses (i.e. subsidy on acquisition expenses/promotional expense (SIM tax subsidy), foreign exchange losses, non-adjustment of depreciation allowances, etc.) and further determined the income tax payable as follows:

- (i) for the assessment year 2013-2014, BDT2,273.6 million (RM110.8 million) and interest of BDT378.2 million (RM18.4 million);
- (ii) for the assessment year 2014-2015, BDT2,246.3 million (RM109.5 million) and interest of BDT414.4 million (RM20.2 million); and
- (iii) for the assessment year 2015-2016, BDT2,263.2 million (RM110.3 million) and interest of BDT295.3 million (RM14.4 million).

Robi has referred its appeals to the High Court Division against the Commissioner of Taxes' respective determination and such appeals are pending hearing before the High Court Division.

The solicitors are of the opinion that Robi has reasonable grounds for success.

**(h) Robi vs BTRC (VAT Payment Dispute Related To 2G Licence Fee Payment)**

During the 2G licence renewal in 2011, BTRC demanded VAT on spectrum fees. Mobile operators agreed to withhold the VAT in compliance with the VAT Act 1991. However, BTRC refused and demanded the spectrum fees without any deductions. As such, all the mobile operators filed writ petitions at the High Court Division, including Robi.

Robi challenged the provisions in the VAT rules and argued that there should be no VAT on spectrum and even if there was any, any services provided by BTRC is VAT exempted under the VAT Act 1991. Robi also argued that BTRC is not a VAT registered entity and is unable to issue VAT receipts (a requirement under relevant VAT laws). The High Court Division ordered BTRC to register for VAT and ordered Robi to deposit the amount, including VAT, of BDT1,468.6 million (RM71.6 million); which Robi duly did. However, BTRC refused to register for VAT or the VAT receipt and appealed against the High Court Division's decision to the Appellate Division. Robi also filed an appeal before the same Appellate Division.

Despite clear provisions in the relevant legislations, BTRC has yet to register for VAT, which defeats the legitimate demand of receipt by the mobile operators which will then enable the mobile operators to obtain rebate/credit for the VAT paid. BTRC had also included this claim in the BTRC audit claim.

In relation to the 2nd instalment of spectrum fees (2G License), Robi claimed rebate of BDT826.8 million (RM40.3 million), but the LTU-VAT of the NBR cancelled the rebate, as there was no VAT receipt issued by BTRC. Robi challenged the cancellation by a separate writ petition being Writ Petition No. 14977 of 2012 which is still pending before the High Court Division.

In both cases, 100.0% of the licence renewal fees have been capitalised by Robi per the requirement of the law (including the High Court Division's order that BTRC should register for VAT and should issue the VAT receipt), hence Robi's VAT exposure should be nil. However, if the Appellate Division's judgement has retrospective effect, Robi's financial exposure on the capitalised license renewal fees would increase by 15.0%.

The solicitors are of the opinion that Robi has reasonable grounds for success.

**(i) Robi vs LTU-VAT of the NBR (Demand For Payment Of Interest Charge For Robi's Alleged Late Payment)**

The LTU-VAT of the NBR alleged that Robi failed to deposit the amount of BDT1,818.0 million (RM88.6 million) as VAT and supplementary duty levied on 2.3 million pieces of SIM cards sold by Robi for the period of August 2006 to March 2007.

Robi filed a writ petition against the said demand which was stayed by the High Court Division. Later, the LTU-VAT of the NBR filed an appeal against the stay and the stay

was vacated. As a result, the LTU-VAT of the NBR coercively realised the demanded amount of BDT1,818.0 million (RM88.6 million). Although the LTU-VAT of the NBR realised the demanded amount, the LTU-VAT of the NBR further issued a demand letter for payment of BDT2,660.5 million (RM129.6 million) as interest on the amount charged for the late payment. Therefore, Robi filed another writ petition in relation to the claim of BDT2,660.5 million (RM129.6 million).

Both the cases are pending before the High Court Division and the solicitors are of the opinion that Robi has reasonable grounds for success.

**(j) Dialog Broadband Networks (Private) Limited (Amalgamated with Suntel Limited) (“DBN”) vs Electroteks Network Services (Private) Limited (“Electroteks”)**

On 20 November 2001, DBN initiated a claim against Electroteks for SLR68.8 million (RM1.4 million) to recover an outstanding amount due for the provision of telecommunication facilities. This claim has concluded and is currently at execution stage.

On 30 May 2002, Electroteks filed a counterclaim for SLR4,200.0 million (RM59.2 million) together with the interest thereon and it was allowed by the court (“**Counterclaim Judgment**”). DBN filed an appeal against the Counterclaim Judgment to the Supreme Court of Sri Lanka.

Pending disposal of the aforesaid appeal, Dialog Axiata Plc., the holding company of DBN, has provided a bank guarantee for SLR1,000.0 million (RM14.1 million) and a corporate guarantee for SLR3,200.0 million (RM45.1 million) to stay execution of the Counterclaim Judgment.

Parties filed written submissions on 30 November 2016. The Judgment was delivered by the Supreme Court of Sri Lanka on 14 December 2018 allowing the appeal of DBN and setting aside the Judgment of the Commercial High Court. Principal sum with the legal interest as at 14 December 2018 is SLR11,608.9 million (RM163.7 million).

Electroteks has filed a revision application in the Supreme Court of Sri Lanka under Case Number SC/MISC/3/2019 against the Judgment delivered by the Supreme Court of Sri Lanka and the matter came up for support on 17 May 2019. On that date, the Presiding Judge of the Supreme Court bench referred the matter to be mentioned on 12 June 2019 before a bench comprising the judges who delivered the Judgment. However, when the matter came up on 12 June 2019, no direction was made by the Supreme Court.

On 14 September 2020, the order was reserved by the Supreme Court, but no date was provided on when the Supreme Court will deliver said order. Based on the merits of the case, the solicitors are of the opinion that Electroteks’ application for leave to proceed is likely to be refused by the Supreme Court.

**(k) Writ petition filed by 6 individuals against Ncell Private Limited (“Ncell”), Reynolds Holdings Limited (“Reynolds”), Axiata Investments (UK) Limited (“Axiata UK”), Large Tax Payers’ Office of Nepal (“LTPO”), Inland Revenue Department of Nepal (“IRD”), Nepal Rastra Bank, Department of Industry, Industry and Investment Promotion Board, Nepal Telecommunications Authority, Sunivera Capital Ventures Pvt. Ltd. and the Office of Company Registrar**

A public interest litigation (“**PIL**”) has been filed at the Supreme Court of Nepal (“**SC**”) seeking various orders from the SC including that tax to be collected from Ncell and Axiata UK in relation to the indirect transfer to Axiata UK of an 80.0% stake in Ncell through the sale of Reynolds by Ncell’s previous foreign investor, TeliaSonera Norway Nepal Holdings AS (“**TeliaSonera**”) to Axiata UK (“**Transaction**”).



The SC issued its full written order on 9 April 2019 ("**Order**") in relation to its oral order dated 6 February 2019 that the LTPO should determine the outstanding tax to be paid in relation to the Transaction within three months from the date of receipt of the Order by the LTPO and that the responsibility to pay tax lies with Ncell and Axiata Group Berhad, the latter who is not a party to the PIL. Ncell received a letter issued by the LTPO on 16 April 2019 stating that its assessment order in relation to the Transaction initially issued to TeliaSonera ("**Telia Assessment**") is now transferred to Ncell and that the further balance amount of the Capital Gains Tax ("**CGT**") arising from the Transaction is NPR39,060.7 million (RM1,353.8 million). Ncell is ordered to deposit the said amount within 7 days, or by 22 April 2019 ("**LTPO Direction**").

Ncell had on 21 April 2019 filed a Writ Petition for Certiorari, Prohibition and Mandamus to the SC against the LTPO, IRD and the Ministry of Finance of Nepal ("**Ncell Application**") for an annulment of the LTPO Direction and to challenge the legality of the LTPO Direction on grounds, including but is not limited to: (a) that the LTPO Direction in transferring the Telia Assessment unto Ncell is not in compliance with the procedures as required under the Income Tax Act, 2058 (2002) ("**ITA**"); (b) that the LTPO is obliged to undertake a tax assessment on Ncell and not, as demanded in the LTPO Direction, merely a tax collection; (c) that in issuing the LTPO Direction, the LTPO has: (i) failed in providing or affording Ncell the opportunity in making any submission or representation in relation to the imposed tax liability; and (ii) failed in providing Ncell with the option to file or submit an application for administrative review over the LTPO Direction.

Following the Ncell Application, the SC on 25 April 2019 issued a show cause order against the LTPO, IRD and the Ministry of Finance of Nepal (collectively, the "Respondents") to appear before a Division Bench on 6 May 2019 ("**Hearing Date**") and that a temporary stay order is granted until the Hearing Date, during which period the Respondents were refrained from taking any steps to enforce the LTPO Direction against Ncell.

The Division Bench on 7 May 2019 ordered that a full bench of the SC to be convened to hear and decide on the Ncell Application and that the temporary stay order granted on 25 April 2019 be continued, in the period of which the Respondents are refrained from taking any steps against Ncell. Hearing of the Ncell Application before a full bench of the SC was concluded on 7 July 2019.

On 26 August 2019, the SC issued a short-form judgment on the Ncell Application ("**Short Form Order**") in which the SC partially upheld the Ncell Application. The full written judgment of the SC's decision was issued on 21 November 2019 ("**SC Judgment**"). The SC Judgment states that the prior tax amount assessed by the LTPO is to be reduced to the extent of fees purportedly levied under section 120(a) of the Nepalese Income Tax Act which were found to be unlawful. The SC has held that Ncell remains liable to pay NPR21,104.0 million (RM731.4 million) in allegedly outstanding CGT (including fees pursuant to sections 117(1)(a) and (c) and interest pursuant to sections 118 and 119 until the date of deposit) in relation to the Transaction.

Following this SC Judgment, on 6 December 2019, the LTPO demanded that Ncell pay NPR22,445.1 million (RM777.9 million) in allegedly outstanding CGT (including interest and penalties) ("**Demand Amount**"). On 22 December 2019, the LTPO issued a second demand letter, repeating the demand from 6 December 2019 for Ncell to deposit the sums demanded within 15 days (collectively, the "**LTPO Demand Letters**"). On 12 April 2020, Ncell settled the Demand Amount and an additional sum of NPR990.3 million (RM35.0 million) as interest (collectively, the "**Total Amount**"). Ncell's payment of the Total Amount was made under protest and expressly without prejudice to Ncell and Axiata UK's position in the international arbitration proceedings commenced by Ncell and Axiata UK against the Federal Democratic Republic of Nepal (detailed below).

The LTPO Demand Letters represent a clear violation of the terms of the Provisional Measures Order (defined below) issued by the Tribunal on 18 December 2019 in the arbitration proceedings commenced by Ncell and Axiata UK which ordered Federal Democratic Republic of Nepal ("**Nepal**"), its agencies and officials to refrain from, amongst other things, taking any steps to enforce or otherwise give effect to the LTPO Demand Letters. The Provisional Measures Order is legally binding on Nepal and its agencies under international law.

### **Arbitration of Axiata UK and Ncell vs Nepal**

Following the LTPO Demand Letters, Axiata UK and Ncell have filed a Request for Arbitration ("**Request**") with the International Centre for the Settlement of Investment Disputes ("**ICSID**") pursuant to the Agreement dated 2 March 1993 between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Nepal for the Promotion and Protection of Investments ("**Bilateral Investment Treaty**").

Axiata UK and Ncell's claims as set out in the Request relate to Nepal's conduct in contravention of its international law obligations under the Bilateral Investment Treaty. In particular, the claims relate to Nepal's conduct in imposing capital gains tax in connection with Axiata UK's acquisition of 100.0% of the shares of Reynolds, which owns 80.0% of the shares of Ncell.

Axiata UK and Ncell dispute the entirety of the CGT allegedly payable by Ncell in connection with the Transaction and will argue, among other things, that the imposition of CGT by Nepal in relation to the Transaction is unlawful. Axiata UK and Ncell will seek remedies including restitution of sums already paid, a permanent injunction against further attempts to collect CGT from Ncell in connection with the Transaction and damages for all losses suffered in consequence of Nepal's unlawful conduct. Ncell has paid a total of NPR47,009.9 million (RM1,629.3 million) in alleged outstanding CGT.

Pursuant to the ICSID, Axiata UK and Ncell appointed Albert Jan van den Berg (Dutch) on 23 July 2019 as their chosen arbitrator. The arbitration tribunal ("**Tribunal**") was fully constituted on 18 October 2019, the other members being Paul Friedland (American) and Professor Joongi Kim (Korean, presiding arbitrator).

On 18 December 2019, the Tribunal granted Axiata UK and Ncell's application for provisional measures in large part and ordered that Nepal, its organs, agencies and officials, including the LTPO and the IRD, immediately be restrained from:

- (i) taking any steps to enforce or otherwise give effect to the demand letter served by the LTPO against Ncell dated 6 December 2019 in which the LTPO demanded that Ncell pay NPR22,445.1 million (RM777.9 million) in allegedly outstanding CGT (including interest and penalties) in connection with the Transaction; and
- (ii) taking any steps which would alter the status quo between Axiata UK, Ncell and Nepal or aggravate the present dispute (together, the "**Provisional Measures Order**").

A merits hearing was originally scheduled to take place in two (and potentially three) sessions. The first session was scheduled for 29 November 2021 to 3 December 2021, with the second session to take place on 11-16 April 2022, and with 4-5 July 2022 in reserve. However, by a decision of 28 November 2021, the Tribunal postponed the November/December 2021 session of the hearing due to the emergency hospitalisation of one of Nepal's lawyers. By Procedural Order No. 9 dated 3 December 2021, the Tribunal ordered that the hearing be deferred to 11-22 April 2022, with 4-5 July 2022 in reserve.

The solicitors are of the opinion that Axiata UK and Ncell have strong prospects of success in the arbitration proceedings against Nepal.

(I) **Ncell vs LTPO and others**

**Amended Assessment Notice by the LTPO**

Notwithstanding letters dated 12 April 2020 and 15 April 2020 by the LTPO to confirm that Ncell has fully discharged all of its tax obligations under the ITA arising from the Transaction, the LTPO issued a notice dated 25 December 2020 ("**Reassessment Notice**") under section 101(6) of the ITA to amend its earlier tax assessment of the income tax return filed by Ncell for the fiscal year of 2015 to 2016, being the fiscal year when the Transaction took place.

The LTPO had reassessed Ncell's income tax return for the fiscal year of 2015 to 2016 and determined that based on section 57 of the ITA, Ncell's taxable income for such fiscal year is now NPR127,827.6 million (RM4,430.4 million). Ncell responded to the Reassessment Notice on 12 January 2021 disagreeing, among other things, with the applicability of the assessment and the method used by LTPO to make the assessment.

Ncell has filed a writ petition ("**First Writ**") against LTPO and related government agencies. On 13 January 2021, Ncell obtained an order from the SC that all decisions and proceedings in relation to the Reassessment Notice be stayed until the matter is heard by the SC. On 14 January 2021, the Tribunal also issued its procedural order recording the undertaking given by Nepal and its organs and agencies will not take any measures against Ncell in relation to the section 57 demand and the Transaction.

Notwithstanding the order from the SC, LTPO had on the same day issued a further notice ("**Demand Notice**") under section 102 of the ITA for additional tax liability of NPR57,852.3 million (RM2,005.1 million). Ncell has filed another writ petition ("**Second Writ**") to dispute the Demand Notice as the remedies sought in the First Writ have been rendered inapplicable by the Demand Notice. On 7 February 2021, the SC issued an interim order directing the respondents in the Second Writ not to execute the Demand Notice and not to withhold any benefits or facilities that Ncell is legally entitled to.

The hearing which was originally scheduled to take place on 2 November 2021 has been regularly postponed by the SC due to administrative reasons and is now listed for hearing on 3 May 2022.

Our Board, based on the external legal advice received, are of the view that the likelihood of probable cash outflow for the Demand Notice in relation to section 57 of the ITA is remote.

**5. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at our registered office at Level 5, Corporate Headquarters, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of our forthcoming AGM:

- (i) the Constitution of our Company;
- (ii) the audited consolidated financial statements of our Company for the past two (2) financial years up to the FYE 31 December 2021;
- (iii) the material contracts referred to in section 2, Appendix II of this Circular; and
- (iv) the relevant cause papers in respect of material litigation referred to in section 4, Appendix II of this Circular.

## AXIATA GROUP BERHAD

## LIST OF QUESTIONS AND ANSWERS PROVIDED PRIOR TO THE 30TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 26 MAY 2022

No.	Date/ Time	Name	Question	Answer
1.	17 May 2022	MINORITY SHAREHOLDERS WATCH GROUP (“MSWG”)	<p>The PGCEO’s performance assessment is based on the “Balanced Scorecard” approach and comprises two differently weighted components - the Corporate Scorecard and the Strategic Key Performance Indicators (KPIs) (Page 16 of IAR 2021).</p> <p>What were the major KPIs, targets and achievements made in FY 2021?</p>	<p>PGCEO’s ‘Balanced Scorecard’ comprises two components – the Corporate Scorecard and the Strategic Key Performance Indicators (KPIs) – both designed to address business and stakeholder needs dynamically whilst balancing short-term returns and long-term sustainability.</p> <p>In brief:-</p> <ol style="list-style-type: none"> <li>65% was derived from the Corporate Scorecard where the focus is on growth aspects of the business through metrics covering Revenue Growth, Cashflow Generation, Profitability, Revenue Market Share and Customer Experience – specifically Net Promoter Score (NPS) and Customer Satisfaction (CSAT). PGCEO’s achievement here has also translated into Axiata exceeding its 2021 Headline KPI of low single digit growth for revenue ex-device growth and EBITDA growth i.e. for FY2021, our actual achievement was 8.3% and 8.5% respectively.</li> <li>35% was attributed to Strategic KPIs which covers Axiata’s 10 Key Focus Areas. These KPIs represent the major initiatives we need to undertake today in order to best position our organization to meet our Axiata 5.0 aspirations within the next 5 years. Examples of these Strategic KPIs and achievements as below: <ol style="list-style-type: none"> <li>Celcom’s Transformation: Delivering subscriber growth of 0.9 million and PATAMI +39.2%;</li> <li>Cost Excellence: OPEX savings of RM696 million &amp; CAPEX savings of RM1.3 billion – total savings of RM2 billion in 2021;</li> <li>Industry Consolidation: Where we announced proposed Celcom-Digi merger (Apr 2021), acquisition of Awake Asia by ADA (Jun 2021) and acquisition of Touch Mindscape by edotco (Nov 2021). Based on M&amp;A preparations undertaken in 2021, we subsequently also announced the proposed acquisition of PT Link Net Tbk (Jan 2022);</li> <li>Value Illumination for Digital Businesses: In 2021, Boost &amp; RHB submitted a joint bid for digital bank license, for which we have since received conditional approval from Bank Negara Malaysia in Apr 2022. Meanwhile,</li> </ol> </li> </ol>

No.	Date/ Time	Name	Question	Answer
				<p>ADA received an additional US\$60 million investment from SoftBank Corp to accelerate its growth agenda;</p> <p>v. Sustainability: Successfully developed and issued our Net-Zero Carbon Roadmap which outlines the Group's net-zero carbon goals, baseline, carbon emissions profile and strategy for the group to achieve its net-zero status by 2050.</p>
2.	17 May 2022	MSWG	<p>The Group set off on the transformational journey a decade ago by leveraging the digital ecosystem. It expanded into digital businesses via Axiata Digital in 2013. As for its traditional mobile operators, the ambition was to transform into Digital Telcos (Page 17 of IAR 2021).</p> <p>How successfully has Axiata transformed into Digital Telcos? Please share the growth rate for each area of metrics and the prospects.</p>	<p>Axiata's ambition to transform its traditional mobile operators into Digital Telcos anchored across 4 key strategic initiatives / metrics, which are progressing well. The 4 key metrics and their respective performances are (Page 18 of IAR 2021):</p> <ul style="list-style-type: none"> <li>➤ LEAP Program – Digitisation of all Functional Areas. 3 of our OpCos have achieved Digital Leader stage and 3 have achieved Driving Digital Stage (Page 41 of IAR 2021), progressing from the previous Year which recorded 2 Digital Leaders, with a Year-on-Year Index improvement ranging from approximately 6% to 12% across our 6 Digital Telcos.</li> <li>➤ Digital Telco Model (DTM) – Benchmark Global Best in Converting Functional Digitisation to Financial Outcomes. In 2021, Axiata Group achieved a 54% aggregate savings uplift relative to 2020.</li> <li>➤ Big Data &amp; Analytics (BDA) Maturity – Analytics &amp; Data-driven Decision Making. In 2021, the Group's Big Data &amp; Analytics Maturity improved to 92% from 87% in 2020, an improvement of +5pp (page 41 of IAR 2021).</li> <li>➤ AI Maturity – Pervasive use of Artificial Intelligence as a Business Accelerator. In 2021, the Group-wide average increased to 47%, a +18pp year-on-year improvement compared to 29% in 2020 (page 41 of IAR 2021).</li> </ul> <p>Each of these programs are aimed at increasing and/or sustaining the competitive advantage of our mobile operators, drive efficiencies and innovation to dynamically meet the evolving needs of our customers as well as unlock opportunities for cost improvements and revenue uplift via investment in new technologies.</p>
3.	17 May 2022	MSWG	<p>As at the end of 2021, Axiata's Enterprise segment throughout its six Digital Telco operating markets is catering to the needs of around 185,000 enterprises with plenty of room to capture new growth in digital enablement (Page 20 of IAR 2021).</p> <p>What is the targeted number of enterprises for end of 2022? What is the expected growth rate for Enterprise segments revenue contribution in FY 2022 and FY 2023?</p>	<p>Axiata's Enterprise Businesses across all markets are targeted with aggressive Revenue Growth Ambitions. Targeted Enterprises range from Large through to Medium and Small businesses. Due to the wider variation in terms of size and revenue potential of individual businesses, target setting is based on aggregate Revenue capture and profitability as opposed to the number of individual businesses. Growth in Enterprise Business will be driven through organic as well as inorganic strategies.</p> <p>Enterprise Revenue Growth targets for FY2022 range from 6% to 40%, depending on country maturity and growth potential yielding an Axiata Group Average of 23%.</p>

No.	Date/ Time	Name	Question	Answer
				This would translate to an Enterprise Revenue contribution of 9% to the Group. We expect Enterprise Revenue contribution to increase to 20% in 2024.
4.	17 May 2022	MSWG	<p>2021 has been an exciting year for Axiata, as it 'graduated' its digital businesses and set them off on their path to profitability with the ambition of unicorn status by 2024. It consolidated all its fintech offerings under the Boost umbrella to evolve into a full spectrum regional fintech business (Page 21 of IAR 2021).</p> <p>Axiata is focussing on building two unicorns. Which are the two? What is their status now and when are they expected to be profitable?</p>	<p>The two potential unicorns are Axiata Digital &amp; Analytics (ADA) and Boost Holding (BHSB). ADA is a data and AI company that provides integrated digital, analytics, marketing, and eCommerce solutions. BHSB is a fintech company that unifies financial services spanning payments, micro-financing, micro-insurance, cross border content services and merchant solutions.</p> <p>ADA was already profitable in FY2019, and delivered strong financial performance in FY2021, with 89% YoY Revenue growth, and 8x Profit growth. ADA's PATAMI contribution to Axiata improved from RM4 million in FY20 to RM32 million in FY21.</p> <p>BHSB grew its customer base by 900k and merchants by 139k in 2021. BHSB generates positive Gross Profit but being at PAT level still lossmaking. The impact to Axiata from Boost's negative PAT improved significantly YoY, from RM298 million in FY2020 to RM125 million in FY2021. The Board of Directors and Management of BHSB are closely monitoring its performance, to the company is on track towards sustainable profitability.</p> <p>A consortium that is 60% owned by Boost Holding recently won one of the five licenses for a Digital Bank in Malaysia. The Digital Bank license will enable Boost to drive innovation, increase competitiveness and fast-track the country's digital transformation ambitions.</p>
5.	17 May 2022	MSWG	<p>ADA is on a steady growth path, as revenue in 2021 soared by 89.4% YoY on the back of the expansion of its customer engagement business and its clients' increased focus on digital transformation (Page 22 of IAR 2021).</p> <p>What is ADA's revenue for FY 2021? Is it already profitable? If not, when is it expected to be profitable?</p>	<p>ADA is a digital analytics and AI company that designs and executes integrated digital, analytics, marketing, and eCommerce solutions.</p> <p>Yes indeed, ADA's revenue has been on a steady growth path from 2019 to 2021. The Gross Revenue in FY2021 was RM890 million. ADA continues to benefit from the growth in digital ad spending, shift in retail sales from offline to ecommerce and digital transformation investments made by enterprises in South East Asia.</p>

No.	Date/ Time	Name	Question	Answer
				<div><div><div>ADA Gross Revenue (MYR m)</div><div><div><div>326</div><div>460</div><div>890</div></div><div><div>2019</div><div>2020</div><div>2021</div></div></div><div>+65%</div></div><div>Note: Based on statutory accounts</div><div>ADA has remained profitable from FY 2019 and has maintained profitability in FY2021 as shown below:-</div><div><div><div>ADA PAT (MYR '000)</div><div><div><div>1,106</div><div>5,524</div><div>54,537</div></div><div><div>2019</div><div>2020</div><div>2021</div></div></div><div>+602%</div></div><div>Note: Based on statutory accounts</div></div></div>
6.	17 May 2022	MSWG	<p>edotco has progressed in its journey to become The Next Generation TowerCo by complementing its traditional towerco products with value-added and innovative offerings (Page 23 of IAR 2021).</p> <p>What value-added and innovative offerings has edotco complemented its traditional towerco products with? What have been the achievements and contributions?</p>	<p>edotco is expanding its product offering from traditional macro towers to NextGen infrastructure which is 5G ready. One of the key product lines is 5G enabled street furniture in the form of streetlights, bus stops, minarets, etc. which blends with city beautification and aesthetics. Most noticeably, in Malaysia, edotco have delivered ~450 street furniture sites in ongoing 5G rollout in the industry.</p> <p>edotco has also expanded the portfolio of managed sites which has resulted in synergies in the field operations with its own tower portfolio and ability to deliver elevated service levels consistently.</p> <p>In edotco footprint of 50,000 sites, approximately 25,000 sites are managed sites where edotco is providing end-to-end power systems and/or field operations.</p> <p>edotco energy solutions are moving from traditional power systems into cutting edge and sustainable power technology, which is with longer duration, deeper discharge cycles and at the same time delivering better carbon footprint. Over the</p>



No.	Date/ Time	Name	Question	Answer
				<p>last 5 years edotco have saved carbon emission on a per site basis by 62% via innovative designs, system optimisation, digitisation, data driven control points, and use of alternative materials/technologies.</p> <p>edotco is also exploring additional products lines which include fiber last mile, edge computing, active Distributed Antenna System (DAS) and Network-as-a-Service ("NaaS") for rural telephony which are complementary to the core tower and power business. These products will assist in lowering network cost, leading to more affordability and also deepen network sharing amongst mobile operators.</p>
7.	17 May 2022	MSWG	<p>During the year, the Board approved the inclusion of Sustainability as a Strategic KPI in line with the requirements of the Malaysian Code on Corporate Governance (MCCG) 2021. This is in addition to an existing Strategic KPI to drive the national development agenda through efforts to groom local talents and build digital entrepreneurs (Page 16 of IAR 2021).</p> <p>What is the existing Sustainability Strategic KPI, target and achievement? What is the new Sustainability Strategic KPI and target for FY 2022?</p>	<p>The sustainability KPI that has been put in place reinforces the Group's emphasis on Environmental, Social and Governance ("<b>ESG</b>") matters. This KPI covers the following:</p> <ul style="list-style-type: none"> <li>i. The development of Axiata's net-zero carbon roadmap to achieving net-zero no later than 2050 (as per GSMA ambition).</li> <li>ii. Strengthening Axiata's sustainability strategy.</li> </ul> <p>The CEOs of Axiata's Operating Companies have joined in this effort and have also adopted sustainability related KPIs pertaining to improved carbon data governance and reporting to drive action across our footprint.</p> <p>As of today, we have successfully developed and in the midst of announcing our Net-Zero Carbon Roadmap which outlines the Group's net-zero carbon goals, baseline, carbon emissions profile and strategy for the group to achieve its net-zero status by 2050. This will be launched this Thursday, 26 May 2022.</p> <p>We have also committed to the Science Based Targets initiative (SBTi), ensuring that the pathway is aligned to science and will contribute toward limiting temperature rise to below 1.5°C.</p> <p>Supporting our climate action journey, we have achieved the following milestones:</p> <ul style="list-style-type: none"> <li>i. Established Axiata Group's baseline for Scope 1 and 2 carbon emissions;</li> <li>ii. Established data governance structure strengthening carbon management to drive action and support data collection and tracking; and</li> <li>iii. Established a Board Sustainability Committee.</li> </ul> <p>The focus for 2022 will be to rollout our Net-Zero Carbon Roadmap and enhance our Group Sustainability framework and strategy. Sustainability is an ongoing journey, and we will continue to refine our practices and approaches going forward.</p>
8.	17 May 2022	MSWG	To support the agenda to develop a Group-wide target to reduce carbon emissions aligned to the Science Based Target Initiative (SBTi), the Axiata Net-Zero Carbon Roadmap will be launched in 2022 (Page 16 of IAR 2021).	Axiata's Net-Zero Carbon Roadmap outlines the Group's net-zero carbon goals, baseline, carbon emissions profile and strategy for the group to achieve its net-zero ambition, which is to reach net-zero carbon emissions no later than 2050.



No.	Date/ Time	Name	Question	Answer
			<p>Please share with shareholders the key milestones to be achieved under the Axiata Net-Zero Carbon Roadmap.</p>	<p>The roadmap set forth a three objective-strategy as follow:</p> <ul style="list-style-type: none"> <li>i) Accelerate decarbonisation of our network operations;</li> <li>ii) Accelerate transformation of our value-chain; and</li> <li>iii) Deliver an inclusive climate agenda.</li> </ul> <p>Amongst the key milestones for the Roadmap are:</p> <ul style="list-style-type: none"> <li>i. To reduce operational network emissions for Scope 1 and 2 by 45% by 2030 from a 2020 baseline; (Scope 1 – direct emissions owned or controlled by the company; Scope 2 – indirect emissions from purchased electricity consumed);</li> <li>ii. With Scope 1 and 2 baseline set, the focus is to establish the baseline of the Group's Scope 3 emissions;</li> <li>iii. To reduce value-chain emissions for Scope 3 from our indirectly controlled sources by 2050 (Scope 3 – all other indirect emissions outside the control of the company);</li> <li>iv. To contribute to positive climate action through carbon removal and enabling avoidance through technology and digitalisation; and</li> <li>v. To prepare for reduction targets to be approved by Science Based Targets initiative (SBTi) by 2023.</li> </ul>
9.	17 May 2022	MSWG	<p>Practice 5.9 - The board comprises at least 30% women directors.</p> <p>Axiata's response: Departure. The composition of the Board as at 31 December 2021 comprised ten Directors of whom two are women providing a representation rate of 20%. Timeframe for application is as soon as possible with the identification of suitable candidates that possess the necessary qualification and experience that meet the requirements set for a position on the Board.</p> <p>MSWG's comment: The Company should set a specific timeframe to apply the Practice.</p>	<p>Axiata is committed towards ensuring the required diversity on its Board and this extends to gender diversity. Towards that objective, Axiata is working towards fulfilling the required rate of women representation on its Board by the end of 2022.</p> <p>Active evaluation of suitably qualified and experienced candidates is currently underway.</p>

No.	Date/ Time	Name	Question	Answer
10.	10 May 2022	TABUNG HAJI	I have a query on Resolution 4, where there is an approval sought for a significant increase in the fees (>100%) for the various board committees. May I have the justification on Axiata's side as to why there are significant adjustments and if there are any example of peers that these new fees are benchmarked against? May I also know what the estimated total directors fees will be just to have a gage on how it will impact the overall fees?	<p>The adjustments for the committee fees are a reflection of the increased responsibilities and workload for the committee members over the years. It is also to be noted that the committee fees have not been adjusted for 7 years (i.e. since 2015). The Board of Directors of Axiata is of the view that the various adjustments will raise the committee fees to current market levels which are competitive and fair to the committee members.</p> <p>The proposed fees are benchmarked against listed companies in Malaysia and industry peers operating in the region, taking into consideration the size and complexity of operations. A selection of the companies which were benchmarked, among others are Telekom Malaysia, Maxis, CIMB Group, Sime Darby, IHH Healthcare, Tenaga Nasional, SingTel, Cat Telecom, PLDT Inc, True Corporation and Starhub.</p> <p>The total director fees is estimated to increase by 17% after the implementation of the changes.</p>

**LIST OF QUESTIONS AND ANSWERS PROVIDED DURING THE 30TH AGM HELD ON 26 MAY 2022**

No.	Date/ Time	Name	Question	Answer
1.	26 May 2022 08:46 AM	TEO ENG SIONG	When the 5G license will get it?	<p>In Malaysia, as per direction from the government, 5G network can only be deployed by DNB. Celcom, together with industry are working with DNB, MOF and MCMC on the Reference Access Offer (RAO), equity participation.</p> <p>In Indonesia, XL is already offering 5G services in selected areas and is expanding 5G coverage.</p> <p>In Sri Lanka, Cambodia, Bangladesh and Nepal, combination of 5G trials on-going and we are working with the regulators in these countries on the timing and availability of new spectrum allocations for 5G.</p>
2.	26 May 2022 08:46 AM	STEPHEN LYE TUCK MENG	Mr Chairman, Read in The Star today that Axiata has slipped into the Red? How can this happen? Telco companies should be reaping huge profits. Kindly elaborate what went wrong and what are the plans to bring it back to profitability?	<p>- Underlying PATAMI (RM373mn) jumped 70.7% YoY with margin at 5.7%, whilst revenue ex-device and EBITDA rose 7.8% and 7.4%</p> <p>- Reported PATAMI slipped to loss due to unrealised forex translation losses RM462.5mn, mainly due to USD denominated borrowings and working capital, especially from Sri Lanka.</p>
3.	26 May 2022 08:46 AM	TEO ENG SIONG	Any share buyback plan? Since the price is keep dropping.	Share price fall only as a temporary phase for multiple factors including macro situation. Our focus remains on delivering our strategy Axiata 5.0 and are moving in line with plans.

No.	Date/ Time	Name	Question	Answer
4.	26 May 2022 08:59 AM	LIM SHUN QIN	What is the action taken by the company to overcome the problem caused in Sri Lanka?	1) Manage liquidity risk - provided shareholder loan USD90m, of which USD72m draw down in 1Q22. 2) Maintain network QoS - additional purchase of batteries and solar 3) Cost saving initiatives to conserve cash 4) Seek tariff hike to counter inflation.
5.	26 May 2022 09:05 AM	LOO YEO MING	What is your succession planning to replace retiring directors?	Axiata constantly evaluates the need to refresh the composition of the Board in accordance with the requirements of the business of Axiata in its geographic footprint.  In accordance thereto, the Board Nomination and Remuneration Committee maintains a list of potential suitably qualified and experienced board candidates according to their field of expertise and will review their suitability for board succession.
6.	26 May 2022 09:08 AM	HIU CHEE KEONG	How Cukai Makmur affect the company's profit?	The estimated additional taxes due to the introduction of Cukai Makmur is in the range of RM80 million to RM100 million, attributed to Celcom and edotco groups of companies in Malaysia.
7.	26 May 2022 09:16 AM	TEOH KENSEN	How are the weakening Sri Langkan Rupee and economic woes in Sri Lanka affecting Axiata Group's financials going forward. Kindly provide the pro forma impact in terms of revenue, EBITDA, PBT and CAPEX to the Group and to the receivables?	Cautiously optimistic on Headline KPI 2022: 1) MSD for rev ex-device growth 2) HSD for EBIT growth Impact from SL: 1) div declared 2022 2) translation loss 3) cash trap #
8.	26 May 2022 09:21 AM	KOH CHOOI PENG	The Group reported an Impairment of intangible assets amounted to RM344.436 million in FY2021 (Note 25 - Page 86 of AR) (1) What is the nature of the intangible assets impaired? (2) What are the reason(s) for incurring this impairment and any probability that it will be reversed in the future?	Nature: Goodwill impairment mainly from Ncell (RM338 million)  Reasons for impairment : As per MFRS136, the impairment is recognized when recoverable amount from present value of future cashflow of business is less than carrying amount of the asset due to business challenges faced by Ncell in Nepal.  Goodwill impairment is not allowed to be reversed in future under the accounting standard.
9.	26 May 2022 09:28 AM	KOH CHOOI PENG	Axiata Investments (UK) Limited reported impairment loss of RM603.1 million in FY2021 (Note 29 - Pages 129-130 of AR) and expected to further increase by another RM362.9 million. (1) Please provide details of this impairment. (2) What was the total impairment reported for Axiata UK on its Nepal investment?	Impairment in 2020 - RM1,253mn Impairment in 2021 - RM603 mn Total impairment to date on AIUK = RM1,853mn ; ( Total cost of investment RM6,308mn) The reasons for impairment is mainly due to the revised cashflows for Ncell has deteriorated due to prolonged lockdown due to COVID-19 and other business existing business challenges. The impact to the Group is RM 338 million, which is lower than impact at AGB Company level.  The RM 362.9 million is based on recoverability assessment on the on-going arbitration case. The amount is supported by strong prospects of winning. Impact is highlighted as risk for sensitivity analysis.

No.	Date/ Time	Name	Question	Answer
10.	26 May 2022 09:31 AM	YAP YIK YONG	What's the Board's plan on Sri Lanka's business?	<p>- While macro outlook is challenging, operational performance remains strong for Dialog in 1Q22</p> <p>- On-ground situation is being closely monitored to ensure business operations are preserved and necessary actions to mitigate the macro impact are being taken, including...</p> <p>i) Manage liquidity risk - provided shareholder loan USD90m, of which USD72m draw down in 1Q22.</p> <p>ii) Continue to support network QoS - additional purchase of batteries and solar.</p> <p>iii) Cost saving initiatives to conserve cash.</p> <p>iv) Seeking GoSL for tariff hike to counter inflation.</p>
11.	26 May 2022 09:35 AM	SIEW YING YEE	Edotco Group Sdn Bhd is acquiring 2,973 telecom towers in the Philippines through a sale and lease back transaction with subsidiaries of PLDT Inc. for RM3.42b. With the completion of this exercise, what is the market share of Edotco in the Philippines?	<p>With the acquisition:</p> <p>* edotco will own ~17% of towers in the Philippines (based on total tower count, including that owned by MNOs)</p> <p>* becoming the leading Independent TowerCo in the market</p> <p>* and is well-positioned to capture a substantial share of future tower roll-outs</p>
12.	26 May 2022 09:38 AM	HIU CHEE KEONG	How minimum wage affect the company ?	No impact. All AGB employees above Malaysia minimum wage. Same for Celcom, edotco, Boost.
13.	26 May 2022 09:39 AM	AHMAD MARZUKI ABD RAZAK	<p>Q1. How much is our cost of this eAGM?</p> <p>Q2. What percentage of loss due to Sri Lanka issue?</p>	<p>Q1 (Also asked by Mr Teh Peng Tin) The cost for 2022 AGM is RM280,000 (2020:RM250,000 with similar arrangement i.e. with broadcast venue and 2021 RM100,000 for fully virtual AGM).</p> <p>Q2- Sri Lanka problems surfaced in Q122, where the total contribution of Dialog's loss after tax (LAT) to the Group is RM304mn, representing &gt;100 % of the Group's loss after tax of RM9mn. The loss from Dialog is mainly due to unrealised forex translation losses due to USD denominated borrowings and working capital. Dialog represents 6% of Group net assets.</p>
14.	26 May 2022 09:41 AM	KOW LIH SHI	<p>After digital licencing does company will. More concentrate to 5G services?</p> <p>2023 can make it full service?</p>	<p>n Malaysia, as per direction from the government, 5G network can only be deployed by DNB. Celcom, together with industry are working with DNB, MOF and MCMC on the Reference Access Offer (RAO), equity participation.</p> <p>In Indonesia, XL is already offering 5G services in selected areas and is expanding 5G coverage.</p> <p>In Sri Lanka, Cambodia, Bangladesh and Nepal, combination of 5G trials on-going and we are working with the regulators in these countries on the timing and availability of new spectrum allocations for 5G.</p>

No.	Date/ Time	Name	Question	Answer
15.	26 May 2022 09:47 AM	KOW LIH SHI	Can company doing medicine 5g as theory launch in international medical new servicing concept past 5 years ago make it on 2023?	Celcom has been spearheading 5G development in Malaysia and in 2017, successfully conducted the first 5G trials in the country. In 2019, Celcom was heavily involved in the Malaysia 5G Demonstration Projects with other industry operators which included demonstrations on digital healthcare over 5G for use in potential medical tourism use cases.
16.	26 May 2022 09:48 AM	KOW LIH SHI	How was Sabah Sarawak services? Does company unable to full coverage. Awaiting new low orbit satellite?.  Or main reason of costing not to do so?	The LTE coverage for Sabah and Sarawak has improved significantly since 2020. (Sabah: <70% to >85% and Sarawak : 80% to >90%). This is a result of investment from Celcom together with the rollout of Jendela by MCMC. With the current plans, the LTE coverage will be at par with nationwide.
17.	26 May 2022 09:50 AM	TEO CHER MING	Q1 results seems severe due to forex impact. Do management see risk of impairment in 2022 to Sri Lanka investment due to the crisis	The probability of an impairment arising from the SL crisis is unlikely as there is sufficient headroom at both group and company level to absorb the shock. #
18.	26 May 2022 09:56 AM	KOH CHOOI PENG	The recent economic turmoil in Sri Lanka has resulted in sharp deterioration of economic activities there. Please provide an update on how has Dialog been affected and whether it will report a loss in FY2022.	While macro-outlook is challenging, operational performance remains strong for Dialog in 1Q22.  However, impact in 2022: 1) dividend declared 2022 ii) translation loss iii) cash trap.
19.	26 May 2022 09:58 AM	LEE MUN HOE	How about M&A progress with Digi? Would suggest call off the M&A since derails Axiata business plan in view of slow progress of M&A and board members job prospect may impacted to accommodate Digi management.	The proposed merger between Celcom and Digi is progressing and currently waiting for approval from MCMC and SC. Post MCMC and SC approval we will seek Axiata Shareholders approval. Completion is expected in second half of 2022 subject to obtaining all necessary approvals.
20.	26 May 2022 10:10 AM	HO GEOK CHENG	Hi, last year I complained my network connection at my housing area was bad and now is getting worst. No signal in the house when I'm still WFH. Could you please build a tower nearby? I have been complaining the problem for years and nothing has been solve. There are 3 Celcom user in my household also facing this problem. I have a few relatives who are living nearby who use Celcom has opt and change to other telco. I am giving another 3 months if nothing going to change I will be changing telco.	Please provide us your contact number (if it is different from tabulated) and we will get Celcom team to address your concerns.
21.	26 May 2022 10:11 AM	CHANG HWEI SZE	What measures the Axiata group will be taking to boost the depleting cash flow to meet the dividend pay-out?	The Group cash balance remained healthy at RM5.8bil with OFCF of RM904mil in Q1 2022.  Axiata will be prudent on the up-coming interim dividend, given the current macroeconomic conditions (Sri Lanka in particular) and on-going investment in PT Link Net tbk as well as towers acquisition transaction in edotco. This is expected to be a short-term impact.
22.	26 May 2022 10:11 AM	AHMAD MARZUKI ABD RAZAK	Q3. How much equity percentage are we requesting from DNB for 5G project?	Celcom has expressed an interest in taking up an equity stake in DNB. Celcom is working closely with DNB and MoF to complete this process in a timely manner, aiming to achieve a meaningful and active participation from Celcom. We are not able to disclose any further details at this point in time as the process is on-going.
23.	26 May 2022 10:16 AM	JESSLYN CHAN SI LYN	Another thing the Reward in the Celcom life app is so pathetic. Is looks like those Reward to fill up the Reward page. Please look at other telco Reward that can benefit the user.	Thank you for the feedback. We continuously review and try to improve the app to meet our customers' need. We will definitely review the reward page as per your comment.



No.	Date/ Time	Name	Question	Answer
24.	26 May 2022 10:19 AM	CHAN KOK THIM	Thank you for a reasonable performance for 2021, hope you can do better in 2022. Your market price is questionable, what can you do to increase the share price and dividend payment to your shareholders?	Share price also impacted by: i) uncertain macro-economic environment, eg inflation and rising interest rates ii) regulatory uncertainties iii) global supply chain - including chips  Axiata remains focused on to be high div yield company on progressive basis.
25.	26 May 2022 10:20 AM	LIM SAN KIM	Separate the director fees to allow others to vote against if they don't perform,	Thank you for your suggestion which the Board will consider.
26.	26 May 2022 10:23 AM	LOW GIEK CHING	Please pay more dividends. Thank you!	Axiata Board remained committed to our dividend policy of paying dividend of at least 30% of its consolidated normalised PATAMI and progressively increase the pay-out ratio over a period of time, subject to a number of factors including business prospects, capital requirements and surplus, growth/expansion strategy, considerations for non-recurring items and other factors considered relevant by the Board.  Over the long-term Axiata is committed to reposition as a High Dividend Company, driven by disciplined execution of ongoing and planned activities.
27.	26 May 2022 10:23 AM	AHMAD MARZUKI ABD RAZAK	Q3. How much equity percentage are we requesting from DNB for the 5G project?	At this point in time, discussions are still ongoing with DNB.  Important for Celcom to ensure its equity participation is meaningful as we want to contribute and actively participate in making sure the deployment of 5G services speedily and in the most efficient manner to make it affordable to Malaysians.
28.	26 May 2022 10:35 AM	LIM SAN KIM	When to pay dividend	Full year dividend declared for FY21 is 9.5 sen (2020: 7 sen). Dividend declared in Q421 was 5.5 sen and it was paid to shareholders on 28 March 2022.
29.	26 May 2022 10:36 AM	LIM SAN KIM	Don't engage expensive auditor to save cost	As a regional company with international investors, we continue to engage reputable external auditors. For non-audit work, the Group has clear procurement policy to engage external advisors.
30.	26 May 2022 10:45 AM	LIM SHUN QIN	Is there any plan to list Boost for IPO?	We are evaluating all plans to maximize and realize value for shareholder and IPO could be one such avenue.
31.	26 May 2022 10:46 AM	TEO CHER MING	Boost ewallet is providing partner wallet however these are not failed to user requirements/needs. Suggest to use data to improve this	Thank you for your suggestion and feedback Mr Teo.  We are currently looking at sharpening the targeted segment and relevance of the Partner Wallet to the Boost Consumer relevance. Hope to give you better customer experience soon.
32.	26 May 2022 10:47 AM	LIM SAN KIM	Can we have a sim card so that we can shift the mobile number to Axiata	We are glad about your request. Will get Celcom team to approach you.
33.	26 May 2022 10:47 AM	CHANG HWEI SZE	On the proposed investment in Link Net in Indonesia, what are the key merger issues and how are these been handled?	To complete this proposed transaction, we first need to obtain the approvals from BNM and from the shareholders of Axiata and First Media, one of the Sellers who are listed in Indonesia. These shareholder approvals are being sought today for Axiata and in early June for First Media.  In addition, we also need to ensure compliance with the requirements of the

No.	Date/ Time	Name	Question	Answer
				<p>regulators in Indonesia, in which we have sent the necessary notification to the MOCI, as required.</p> <p>In terms of Bank Negara approval for the payment of All's portion of purchase for the Proposed Acquisition, it has been received via a letter dated 12 April 2022 by BNM.</p> <p>Barring aside unforeseen circumstances and subject to approvals being obtained, we anticipate to close the Proposed Acquisition in Q2 2022.</p>
34.	26 May 2022 10:48 AM	LEE TUCK KEONG	<p>Hi. You are allotted Meeting Allowance, so do the shareholders who allotted time for this virtual AGM. Having talked so much of prowess ambitions and endeavour, Investments in foreign countries and also lengthy negotiations with Telenor, the performance of the company does not commensurate with the profits achieved and reflected in the share price.</p> <p>More so, the Dividend amount payment to shareholders is paltry viz-a-viz your peers.</p> <p>You bench mark your peers fees, what about performance?</p>	<p>Achieve Headline KPI 2021 of:</p> <p>i) Revenue ex-device growth LSD - achieve 8.3%</p> <p>ii) EBITDA growth LSD - achieved 8.5%</p> <p>Axiata remains focused as high dividend yield company on progressive basis. Since 2018, paid RM15.7bn, averaging DPR 75%.</p>
35.	26 May 2022 10:48 AM	QUAH KIAT GIN	Negotiations between telecommunication companies (telcos) and Digital Nasional Bhd (DNB) on the shareholding >51% in DNB doesn't seem to be granted in near term. How would this impact on the Telco industry in Malaysia?	<p>Celcom is interested in taking up an equity stake in DNB.</p> <p>Celcom, together with industry are working with DNB and MOF on the process with a view to complete this in the most expedient manner.</p> <p>At this point in time, discussions are still ongoing together with other industry operators.</p> <p>Important for Celcom to ensure its equity participation is meaningful as we want to contribute and actively participate in how DNB would deliver the best 5G network for Malaysia in the long term.</p>
36.	26 May 2022 10:49 AM	YAP YIK YONG	What's the status of the merger between Celcom and Digi?	The proposed merger between Celcom and Digi is progressing and currently waiting for approval from MCMC and SC. Post MCMC and SC approval we will seek Axiata Shareholders approval. Completion is expected in second half of 2022 subject to obtaining all necessary approvals.
37.	26 May 2022 10:51 AM	LAI KIM LOONG	The rewards from boost is a chance to get high value products. Odds of striking is limited. Can the company consider lower the value and increase the number of prizes, more the better. More people rewarded would be a better choice. I am loyal user of boost and spend so much points and yet to strike anything, it gives me a feeling it is bogus as no media coverage or names of lucky winners being publish. I felt the lacking of this marketing coverage.	<p>Thank you for the feedback and question.</p> <p>It is true that our catalogue is currently weighted towards higher value products. We are in the process of further expanding our catalogue by getting more redemption partners and products on board and we will ensure there are lower priced affordable products in the catalogue. Rest assured that Boost remain transparent in the winner of Pick and Win, all winners are informed publicly via our Social Media platform on a monthly basis typically on the 2nd or 3rd week of the month.</p>

No.	Date/ Time	Name	Question	Answer
38.	26 May 2022 10:52 AM	CHANG HWEI SZE	Ncell since the acquisition has been dragging the Group's financial results and share price due to the ongoing litigation on CGT and other operational issues in Ncell, what measures the Group is taking to safeguard its financial position and also any possibility of divesting in near future?	<p>Ncell has been a substantial contributor to dividend, having delivered ~RM 2.3 billion since acquisition. It continues to deliver good profit and cash contribution, albeit performance has fallen since Covid impact on FY20/21. Nepal had the longest locked down. We anticipate international revenue coming down, getting offset with data monetization.</p> <p>Various measures to safeguard financial positions includes:</p> <ul style="list-style-type: none"> <li>i) tactical initiatives to improve organic business performance;</li> <li>ii) acquiring new spectrum;</li> <li>iii) new investments in Nepal are also being calibrated.</li> </ul>
39.	26 May 2022 10:55 AM	CHANG HWEI SZE	How have the financial /economic crises in Sri Lanka affected Axiata Group so far and what measure Axiata has taken and will be taking to ensure its financial position is safeguarded?	<p>Cautiously optimistic to achieve Headline KPI 2022.</p> <p>Measures taken:</p> <ul style="list-style-type: none"> <li>i) sufficient liquidity - s/h loan</li> <li>ii) maintain NW QoS - battery &amp; solar</li> <li>iii) cost savings to conserve cash</li> <li>iv) ask for tariff hike to counter inflation.</li> </ul> <p>However, impact from Macro crisis in SL:</p> <ul style="list-style-type: none"> <li>i) Dialog dividend for 2022</li> <li>ii) translation loss</li> <li>iii) cash trap.</li> </ul>
40.	26 May 2022 11:03 AM	CHEW HONG HIAP	Mr. CEO, as a passive shareholder, we are more interested in the share price and dividend. The share performance of the company is not encouraging. And the dividend distribution is also not better than before. What is your opinion and comment?	<p>share price impacted:</p> <ul style="list-style-type: none"> <li>a) macroeconomic uncertainties</li> <li>b) regulatory risk</li> <li>c) global supply chain incl. chips.</li> </ul> <p>Dividend - we are main focused as high dividend yield company on progressive basis.</p>
41.	26 May 2022 11:11 AM	MUHAMMAD SHAHIR BIN SHUHAIID	Is there any future share splits planned in the near future ?	None
42.	26 May 2022 11:14 AM	LIM SAN KIM	Share price reflect the company performance, if the company not perform well then better change Direction and Decision.	<p>Executing well on Axiata 5.0, and on track to achieve targets for 2024:</p> <ul style="list-style-type: none"> <li>a) 10 cent cost/GB: 23 cents in 2021 (from 60 cents in 2020)</li> <li>b) EBIT margin 20%: 12.8% in 2021 (9% in 2020)</li> <li>c) 20 sen DPS: 9.5 sen in 2021 (7-10 sen in last 5 years)</li> <li>d) ROIC &gt;WAC</li> </ul> <p>Delivering on the key targets in Axiata 5.0 will lead to improved total shareholder return ("TSR").</p>
43.	26 May 2022 11:20 AM	LIM SAN KIM	Schedule the AGM away from peak months like April to June so can bring down Registrar and Auditor cost, etc	Thank you for the suggestion. The requirement to hold the AGM is determined by the provisions of the Companies Act 2016 and Bursa Malaysia 's Listing Requirements. As such, and taking into account the time required to prepare the audited financial statements and integrated annual reports, the window available for the holding of the AGM is traditionally between May and June.
44.	26 May 2022 11:29 AM	LIM SAN KIM	Can we transfer house Wi Fi to mobile phone when no one at home	Celcom team will contact you to understand and address your request.



No.	Date/ Time	Name	Question	Answer
45.	26 May 2022 11:37 AM	CHANG HWEI SZE	Please explain how much focus has been given at the Board level on taxation issues affecting the group given that taxation is a one of the major cost/outflow of cash?	<p>Group Board reviews the tax expenses attributed to profits made by our Operating Companies as part of the quarterly financial review process. Any major tax implications will be deliberated in detail.</p> <p>In addition, BAC deliberates on gap between effective and standard corporate tax rates as well as actions towards optimizing including review of tax risks.</p>
46.	26 May 2022 11:38 AM	LOOI WAI FUN	what is the process to evaluate the quality of services provided by external auditor and internal auditors to ensure fraud are detected earlier especially in countries where governance is poor? How frequent the evaluation carried out?	Management and Group BAC assess the quality of services on a yearly basis, based on criteria set internally. In addition, management have quarterly clearance meeting with external auditors on control and governance matters. The Group also have Whistle blow process with speak up channel available for employees and external business partners. Regular training and education provided for use of this channel.
47.	26 May 2022 11:47 AM	CHUA SONG YUN	Axiata has been aggressive on expansion through expensive merger and acquisition over the past 10 years, and it continue to do so recently. A lot of these investments have gone into trouble, and our group profit has been much weaker if compared to height of above RM2.5 billion back in year 2014. This explains why market value our company negatively. Please provide the details of the return on each of these investments, in terms of total invested cost and its returns so far respectively. Thanks.	Axiata acquired Axis (merged with XL), Ncell and Airtel (merged with Robi) in 2014, 2016 and 2017, respectively. With the successful integration of Axis and Airtel, Axiata ROIC has increased from 4.0% in 2016 to 6.7% at 1Q22.
48.	26 May 2022 12:05 PM	CHUA SONG YUN	<p>Ncell tax case origin from disposal gain tax that are supposed to be imposed on vendor, however, as vendor exited the market, the local government turn to the Ncell to reclaim the tax. I understand that indemnity clause, especially on the tax aspect, are common and standard in the sales and purchase contracts.</p> <p>a) Do we have these clauses in our S&amp;P contracts?</p> <p>b) If yes, why are we not go after the vendor?</p> <p>c) If no, does this suggest the unprofessional and negligence of M&amp;A team?</p>	<p>The acquisition, as is typical with M&amp;A deals of this nature, was subject to certain representations and warranties including indemnities (see Axiata's annual reports of 2016 and 2017).</p> <p>Prior to the acquisition, all parties received advice from their respective legal and tax professionals that the acquisition would not be subject to capital gains tax in Nepal because it was an offshore indirect transfer that did not involve a transfer of shares in Ncell. Further, Axiata received assurances from the highest authority in Nepal (including the Inland Revenue Department) that the transaction would not be subject to tax.</p> <p>The imposition of tax on Ncell was unprecedented and in the view of Ncell and Axiata, contrary to Nepalese and international law.</p>

**AXIATA GROUP BERHAD**  
(242188-H)

**30th Annual General Meeting**

Auditorium, Level 32, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia

On **26-May-2022** at **09:30AM**

**Result On Voting By Poll**

Resolution(s)	Vote For				Vote Against				Total Votes			
	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%	No of Units	%	No of P/S	%
Resolution 1	4,612,035,004	99.2739	1,449	88.5156	33,731,128	0.7261	188	11.4844	4,645,766,132	100.0000	1,637	100.0000
Resolution 2	7,928,654,270	98.9972	1,393	85.0427	80,311,931	1.0028	245	14.9573	8,008,966,201	100.0000	1,638	100.0000
Resolution 3	8,003,471,012	96.3848	1,472	88.3023	300,191,425	3.6152	195	11.6977	8,303,662,437	100.0000	1,667	100.0000
Resolution 4	7,928,625,934	95.6662	1,399	84.0745	359,173,661	4.3338	265	15.9255	8,287,799,595	100.0000	1,664	100.0000
Resolution 5	7,977,287,263	96.0695	1,443	86.5108	326,375,174	3.9305	225	13.4892	8,303,662,437	100.0000	1,668	100.0000
Resolution 6	8,016,215,227	96.5396	1,391	83.9469	287,338,690	3.4604	266	16.0531	8,303,553,917	100.0000	1,657	100.0000
Resolution 7	8,016,189,589	96.5393	1,380	83.3333	287,361,959	3.4607	276	16.6667	8,303,551,548	100.0000	1,656	100.0000
Resolution 8	6,508,714,330	98.3790	1,484	89.4515	107,241,771	1.6210	175	10.5485	6,615,956,101	100.0000	1,659	100.0000
Resolution 9	1,400,366,831	99.9945	1,448	90.3306	76,563	0.0055	155	9.6694	1,400,443,394	100.0000	1,603	100.0000