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

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**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE**

**PROPOSED ESTABLISHMENT OF A LONG-TERM INCENTIVE PLAN FOR THE ELIGIBLE EMPLOYEES AND EXECUTIVE DIRECTORS OF AXIATA GROUP BERHAD (“AXIATA”) AND ITS SUBSIDIARIES (“PROPOSED LTIP”)**

**AND**

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Principal Adviser for the Proposed LTIP**



**AmInvestment Bank**

**AmlInvestment Bank Berhad**

(Registration No. 197501002220 (23742-V))  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

**Human Resource Consultant/Scheme Adviser  
for the Proposed LTIP**



**Willis Towers Watson Consulting  
(Singapore) Pte Ltd**

(Registration No. 198600361K)

The ordinary resolutions for the Proposed LTIP and Proposed Award (as defined herein) will be tabled at the Extraordinary General Meeting (“**EGM**”) of Axiata, which will be held on a virtual basis. This Circular is available at <https://www.axiata.com/investors/egm/> together with, amongst others, the Notice of EGM, Proxy Form and the Administrative Notes for the EGM of Axiata. The date, time and broadcast venue of the EGM are as follows:

Date and time of the EGM : Tuesday, 19 September 2023 at 2.30 p.m., or at any adjournment thereof

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

The Proxy Form for the EGM should be completed and deposited at the office of Axiata’s share registrar, Tricor Investor & Issuing House Services Sdn Bhd (197101000970 (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 EGM 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 : Monday, 18 September 2023 at 2.30 p.m.

The proxy appointment may also be lodged electronically via Tricor’s TIIH Online website at <https://tiah.online> no later than Monday, 18 September 2023 at 2.30 p.m. For further information on the electronic lodgment of the Proxy Form, kindly refer to the Administrative Notes for the EGM of Axiata.

This Circular is dated 4 September 2023

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## DEFINITIONS

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Except where the context otherwise requires, the following abbreviations and definitions shall apply throughout this Circular:

<b>Act</b>	:	Companies Act 2016
<b>AmlInvestment Bank or Principal Adviser</b>	:	AmlInvestment Bank Berhad (Registration No. 197501002220 (23742-V))
<b>Axiata or Company</b>	:	Axiata Group Berhad (Registration No. 199201010685 (242188-H))
<b>Axiata Group or Group</b>	:	Axiata and its subsidiaries, collectively
<b>Axiata Shares or Shares</b>	:	Ordinary shares in our Company
<b>BNRC</b>	:	The Board Nomination and Remuneration Committee of our Company
<b>Board</b>	:	Board of Directors of our Company
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
<b>By-Laws</b>	:	By-laws governing the Proposed LTIP, as amended, modified and supplemented from time to time
<b>Circular</b>	:	This circular to shareholders dated 4 September 2023 in relation to the Proposed LTIP
<b>Effective Date</b>	:	The date on which the Proposed LTIP takes effect, being the date upon which our Company has fully complied with the provisions of the Listing Requirements in relation to the Proposed LTIP
<b>EGM</b>	:	Extraordinary general meeting of our Company
<b>Eligible Employee</b>	:	Executive Directors and employees of our Group (excluding subsidiaries which are dormant) who meet the criteria of eligibility for participation in the Proposed LTIP as set out in Section 2.2.1 of this Circular
<b>EPS</b>	:	Earnings per Share
<b>Executive Director</b>	:	A natural person who is a director in a full-time executive capacity who is involved in the day-to-day management and on the payroll of any company within our Group (excluding subsidiaries which are dormant)
<b>FYE</b>	:	Financial year ended/ending, as the case may be
<b>Grantee</b>	:	An Eligible Employee who has accepted a LTIP Award
<b>Interested Director</b>	:	Shall have the meaning as ascribed to it in Section 7 of this Circular
<b>Listing Requirements</b>	:	Main Market Listing Requirements of Bursa Securities
<b>LPD</b>	:	7 August 2023, being the latest practicable date prior to the date of this Circular
<b>LTIP Award</b>	:	The entitlement to receive new Shares under the Proposed LTIP, pursuant to a contract constituted by an acceptance by the relevant Eligible Employee of the offer in relation to that LTIP Award

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**DEFINITIONS (Cont'd)**

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<b>LTIP Period</b>	:	A period of ten (10) years commencing from the Effective Date
<b>MFRS 2</b>	:	Malaysian Financial Reporting Standards 2 on Share-based Payment as issued by the Malaysian Accounting Standards Board
<b>NA</b>	:	Net assets
<b>Proposed Award</b>	:	Proposed award of up to 15,000,000 Axiata Shares to Vivek Sood and 13,800,000 Axiata Shares to Dr. Shridhir Sariputta Hansa Wijayasuriya pursuant to the Proposed LTIP
<b>Proposed LTIP</b>	:	Proposed establishment of a long-term incentive plan for the Eligible Employees
<b>SIM</b>	:	Subscriber Identity Module
<b>VAT</b>	:	Value added tax
<b>2G</b>	:	Second-Generation Cellular Network
<b><u>Currency</u></b>		
<b>BDT</b>	:	Bangladeshi Taka, the lawful currency of the People's Republic of Bangladesh
<b>NPR</b>	:	Nepalese Rupee, the lawful currency of the Federal Democratic Republic of Nepal
<b>RM and sen</b>	:	Ringgit Malaysia and sen, the lawful currency of Malaysia

All references to “**you**” and “**your**” in this Circular are to our shareholders.

All references to “**our Company**” in this Circular are to Axiata and all references to “**our Group**” in this Circular are to our Company and our subsidiaries.

All references to “**we**”, “**us**”, “**our**” or “**ourselves**” in this Circular are to Axiata and where the context requires, shall include our subsidiaries.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any statute, rules, regulation or rules of stock exchange shall (where the context admits) be construed as a reference to such statute, rules, regulation or rules of stock exchange (as the case may be) currently in force or may be amended from time to time and any re-enactment thereof. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated. Any discrepancies in the tables included in this Circular between the amounts stated, actual figures and the totals thereof 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 our Board after due enquiry, 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 Company's plans and objectives will be achieved.

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**DEFINITIONS (Cont'd)**

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Unless otherwise stated, the following exchange rates, as extracted from Bloomberg as at LPD, are used throughout this Circular for illustrative purposes:

- (i) BDT100:RM4.1871; and
- (ii) NPR100:RM3.4431.

Any exchange rate translation in this Circular is provided solely for your convenience 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.

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**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

4 September 2023

## **Board of Directors**

Tan Sri Shahril Ridza Ridzuan (*Chairman, Independent Non-Executive Director*)  
Vivek Sood (*Group Chief Executive Officer and Managing Director*)  
Dr. Shridhir Sariputta Hansa Wijayasuriya (*Group Executive Director and Chief Executive Officer, Telecommunications Business*)  
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*)  
Maya Hari (*Independent Non-Executive Director*)  
Nurhisham Hussein (*Non-Independent Non-Executive Director*)  
Shahin Farouque Jammal Ahmad (*Non-Independent Non-Executive Director*)  
Ong King How (*Non-Independent Non-Executive Director*)  
Eysa Zulkifli (*Alternate Director to Ong King How*)

## **To: Our shareholders**

Dear Sir/Madam,

## **PROPOSED LTIP**

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### **1. INTRODUCTION**

On 21 August 2023, AmInvestment Bank had, on behalf of our Board, announced that we propose to establish a long-term incentive plan involving the issuance of new Axiata Shares to the Eligible Employees (including the Executive Directors) who fulfil the eligibility criteria as set out in Section 2.2.1 of this Circular. The total number of Axiata Shares which may be made available under the Proposed LTIP shall not in aggregate exceed 3.0% of the total number of issued Axiata Shares (excluding treasury shares, if any) at any time and from time to time over the LTIP Period.

On 29 August 2023, AmInvestment Bank had, on behalf of our Board, announced that Bursa Securities had vide its letter dated 29 August 2023, granted its approval for the listing and quotation of such number of new Axiata Shares, representing up to 3.0% of the total number of issued Axiata Shares (excluding treasury shares, if any) to be issued pursuant to the Proposed LTIP on the Main Market of Bursa Securities, subject to the conditions as set out in Section 5 of this Circular.

Our Group currently has in place an existing performance-based long-term incentive plan which was effective from 30 September 2016 and expiring on 29 September 2026 (“Existing LTIP”). The details of the Existing LTIP are set out in Section 2.5 of this Circular. Given that the grants made under the Existing LTIP are intended to have a vesting period of up to three (3) years, our Group has made the final grant under the Existing LTIP in 2022. In this regard, the Proposed LTIP is intended to allow our Group to continue incentivising our employees.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED LTIP AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSED LTIP AND PROPOSED AWARD TO BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR. THIS CIRCULAR IS AVAILABLE AT <https://www.axiata.com/investors/egm/> TOGETHER WITH, AMONGST OTHERS, THE NOTICE OF EGM, PROXY FORM AND THE ADMINISTRATIVE NOTES FOR THE EGM.**

**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR INCLUDING THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSED LTIP AND PROPOSED AWARD TO BE TABLED AT OUR FORTHCOMING EGM.**

## **2. DETAILS OF THE PROPOSED LTIP**

### **2.1 Overview of the Proposed LTIP**

The Proposed LTIP will comprise share awards to be granted to the Eligible Employees with the consideration of several factors including, amongst others, the Eligible Employees’ individual and Group performance, the delivery of long-term growth and shareholder value, the retention of key management personnel, and to promote share ownership as a portion of the remuneration for our key management personnel to ensure that their interests are aligned with our shareholders. Furthermore, the Proposed LTIP is weighted towards a performance-based share plan to encourage a pay-for-performance culture and to emphasise the importance of shareholder returns.

The LTIP Awards will be granted annually to the Eligible Employees and are to be vested at the end of a certain number of years if the Eligible Employees meet the requisite performance and vesting conditions as determined by our Board from time to time, at our Board’s discretion and in accordance with the terms of the Proposed LTIP. In the event the performance and vesting conditions are not met, the grants under the Proposed LTIP will not be vested to the relevant Eligible Employees at the end of such vesting period.

Upon acceptance of a grant under the Proposed LTIP by the Grantees, the grants are expected to vest to the Grantees over the duration of the Proposed LTIP as may be determined by our BNRC in accordance with the By-Laws, and on such terms and conditions as our Board may decide from time to time.

Only Axiata Shares will be allotted and issued to settle the LTIP Awards that are granted and vested under the Proposed LTIP. There is no other mode of settlement of the LTIP Awards.

## **2.2 Salient terms and conditions of the Proposed LTIP**

### **2.2.1 Eligibility**

An “Eligible Employee” is an employee who, as at the date of the letter of offer to participate in the Proposed LTIP:

- (a) has attained the age of 18 years;
- (b) has entered into a full-time or fixed-term contract of employment with any company within our Group (excluding subsidiaries which are dormant) and whose service has been confirmed; and
- (c) has fulfilled any other eligibility criteria which has been determined by our Board or BNRC at their absolute discretion, as the case may be,

and in the case where the person is a director of our Company, the person must be an Executive Director of our Company. For the avoidance of doubt, our Board and/or BNRC may, at their sole discretion, determine any other eligibility criteria and/or waive any of the eligibility criteria set forth in this Section for the purposes of selecting an Eligible Employee at any time and from time to time.

### **2.2.2 Basis of allotment**

The aggregate number of Shares that may be offered and allotted to any one of the Eligible Employees under the Proposed LTIP at any time shall be determined at the sole and absolute discretion of our Board, after taking into consideration, amongst other factors, the performance as well as the years of service of the Eligible Employee and such other criteria as our Board may deem relevant (subject always to the By-Laws and any applicable law). Notwithstanding the foregoing, not more than 10.0% of the Shares available under the Proposed LTIP and/or any other schemes involving new issuance of Shares to Eligible Employees to be implemented from time to time shall be allocated to any individual Eligible Employee who, either singly or collectively through persons connected (as defined under the relevant applicable law), holds 20.0% or more of the total number of issued Shares (excluding treasury shares, if any).

For the avoidance of doubt, our BNRC shall have sole and absolute discretion in determining whether the new Shares available for vesting under the Proposed LTIP are to be offered to the Eligible Employees or any group or groups of Eligible Employees via:

- (a) one single award at a time determined by our BNRC; or
- (b) several LTIP Awards where the vesting of the number of new Shares comprised in the LTIP Awards are staggered or made in several tranches at such times, in such sizes and on such terms as may be determined by our BNRC.

In the event our BNRC decides that the LTIP Award or vesting of any number of new Shares is to be staggered, the number of new Shares to be offered in each LTIP Award and the timing for the vesting of the same shall be decided by our BNRC at their sole and absolute discretion. Each LTIP Award shall be separate and independent from the others.



### **2.2.3 Maximum amount of shares available under the Proposed LTIP**

The total number of Shares which may be allotted and issued pursuant to the LTIP Awards under the Proposed LTIP shall not exceed in aggregate 3.0% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the LTIP Period (“**Maximum Shares**”).

In the event the Maximum Shares exceed the 3.0% limit as a result of our Company purchasing our own Shares in accordance with the provisions of the Act and/or reducing our issued share capital, all offers made and LTIP Awards granted prior to the said variation of the issued share capital of our Company shall remain valid and exercisable and may vest in accordance with the provisions of the Proposed LTIP as if that purchase and/or reduction had not occurred. If, after such purchase, cancellation or reduction, the Maximum Shares as at the date of purchase, cancellation or reduction of Shares exceeds the 3.0% limit, no further offers and LTIP Awards shall be made by our Board until such aggregate number of Shares in respect of the offers and LTIP Awards granted falls below the 3.0% limit.

### **2.2.4 Duration of the Proposed LTIP**

The Proposed LTIP shall be in force for a period of ten (10) years commencing from the Effective Date. All unvested Shares under the LTIP Awards which are not vested (whether fully or partially) shall forthwith lapse upon the expiry of the Proposed LTIP.

### **2.2.5 Ranking of the new Axiata Shares**

The new Shares to be made available pursuant to the Proposed LTIP shall be subject to the provisions of the Constitution of our Company.

The new Shares to be allotted and issued to the Grantees pursuant to the Proposed LTIP, shall, upon allotment and issuance, rank equally in all respects with the then existing Shares, except that they shall not participate in dividend, rights, allotment and/or other distribution, the entitlement date of which is prior to the date on which the new Shares are allotted to the Grantees pursuant to the Proposed LTIP.

### **2.2.6 Retention period and restriction on transfer**

The new Shares to be allotted and issued upon the vesting of a LTIP Award under the Proposed LTIP may be subjected to such retention period and/or restriction on transfer as may be determined by our Board at their sole discretion and specified in the terms of the LTIP Award.

### **2.2.7 Termination of the Proposed LTIP**

Notwithstanding anything set forth in the By-Laws and subject to compliance with the Listing Requirements in relation to the Proposed LTIP, our Company may terminate the Proposed LTIP at any time during the LTIP Period as our Company deems appropriate.

### **2.2.8 Alteration of share capital**

If our BNRC so decides (but not otherwise), in the event of any alteration in the capital structure of our Company during the duration of the Proposed LTIP, whether by way of capitalisation of profits or reserves, rights issues, bonus issues, capital reduction, capital repayment, sub-division or consolidation of capital, or otherwise howsoever taking place, such corresponding alterations (if any) may be made to the Proposed LTIP.

Alterations may be made in:

- (a) the number of unvested Shares comprised in a LTIP Award; and/or
- (b) the method and/or manner in the vesting of the Shares under a LTIP Award.

The alterations as set out in the foregoing paragraph shall be in such a manner as to give the Grantee a fair and reasonable LTIP Award entitlement, as certified in writing (other than for adjustments made pursuant to a bonus issue) by the auditor or adviser (as defined in the By-Laws) of our Company (acting as an expert and not as an arbitrator) as being in its opinion fair and reasonable and such certification shall be final and binding in all respects, provided that:

- (a) upon any adjustment being made pursuant to this Section, our BNRC shall notify the Grantee (or his personal representatives, where applicable) in writing of the adjusted number of Shares comprised in the LTIP Awards and/or the revised maximum number of Shares and/or percentage of the total Shares comprised in the LTIP Awards, that may vest at any time or in any period which supersedes the earlier LTIP Awards; and
- (b) in the event that a fraction of a Share arising from the adjustments referred to in this Section would otherwise be required to be issued upon the vesting of Shares under a LTIP Award, the Grantee's entitlement shall be rounded down to the nearest whole number.

Unless otherwise determined by our BNRC, the aforementioned adjustments shall be effective on the day immediately following the book closure date for the event giving rise to that adjustment.

#### **2.2.9 Modification and/or amendment to the By-Laws**

The terms and conditions of the By-Laws and the Proposed LTIP may from time to time be modified, altered, amended and/or deleted by resolution of our Board, except that (unless expressly provided in the By-Laws) no such modification, alteration, amendment and/or deletion shall be made which would either prejudice the rights then accrued to any Grantee without his prior written consent, or which would alter to the advantage of the Grantee in respect of any provision of the By-Laws without the prior approval of our Company's members in a general meeting (including, for the avoidance of doubt and without limitation, alterations to the advantage of the Grantee in respect of clauses 2, 3, 4, 5, 8, 9, 13, 14, 17 and 18 of the By-Laws), and subject to any applicable law.

#### **2.3 Listing and quotation of the new Axiata Shares**

Bursa Securities had, vide its letter dated 29 August 2023, granted its approval for the listing and quotation of such number of new Axiata Shares, representing up to 3.0% of the total number of issued Axiata Shares (excluding treasury shares, if any) to be issued pursuant to the Proposed LTIP on the Main Market of Bursa Securities, subject to the conditions as set out in Section 5 of this Circular.

#### **2.4 Utilisation of proceeds**

No proceeds will be raised pursuant to the Proposed LTIP given that the Axiata Shares to be allotted and issued to the Grantees would not require any payment by the Grantees.

The expenses relating to the establishment of the Proposed LTIP (excluding MFRS 2 charges as explained in Section 4.4 of this Circular) are estimated to be approximately RM1.35 million.

## 2.5 Details of the Existing LTIP

The Existing LTIP was established to incentivise our Eligible Employees, and serves to retain, motivate and reward our Eligible Employees through share awards as determined by our Board in accordance with the by-laws of the Existing LTIP. The Existing LTIP comprises a performance-based share plan which was granted annually. The vesting of the grants under the Existing LTIP is determined by our Board which determines, without limitation, the performance metrics to be met under the Existing LTIP, which would also be stipulated in the offer made to the Eligible Employees. The number of Shares granted under the Existing LTIP were arrived at by dividing the grant value by the prevailing share price, and the vesting of the grants under the Existing LTIP is satisfied by the allotment and issuance of Axiata Shares to the Grantees.

The Existing LTIP is valid for a period of ten (10) years and shall continue to be in force until 29 September 2026. The maximum number of new Axiata Shares which may be issued under the Existing LTIP shall not be more than 7.0% of the issued share capital of Axiata (excluding treasury shares, if any) over the duration of the Existing LTIP.

Since the grants made under the Existing LTIP are intended to have a vesting period of up to three (3) years, Axiata has made the final grant under the Existing LTIP in 2022.

Pursuant to the Existing LTIP, our Company granted a total of 19,170,000 Axiata Shares (excluding the Multiplier effects as detailed in Note (2) below) from 30 September 2016, being the effective date of the Existing LTIP, up to LPD, as detailed in the table below:

From 30 September 2016, being the effective date of the Existing LTIP, up to LPD							
Category of employees	Aggregate maximum allocation (%) <sup>(1)</sup>	Actual percentage granted (%)	Total number of Axiata Shares granted	Adjusted for Multiplier effects <sup>(2)</sup>	Total number of Axiata Shares vested	Total number of Axiata Shares forfeited	Total number of Axiata Shares outstanding <sup>(3)</sup>
Executive Directors <sup>(4)</sup>	-	14.89	2,854,300	2,011,750	(3,072,600)	(1,793,450)	-
Senior management	-	85.11	16,315,700	4,653,663	(12,340,800)	(2,225,317)	6,403,246
<b>Total</b>	<b>-</b>	<b>100.00</b>	<b>19,170,000</b>	<b>6,665,413</b>	<b>(15,413,400)</b>	<b>(4,018,767)</b>	<b>6,403,246</b>
		Percentage over total issued share capital of Axiata as at LPD	0.21%	0.07%	-0.17%	-0.04%	0.07%

**Notes:**

- (1) *In accordance with the by-laws for the Existing LTIP, not more than 10.0% of the Shares available under the Existing LTIP and/or any other schemes involving new issuance of Shares to Eligible Employees to be implemented from time to time shall be allocated to any individual Eligible Employee who, either singly or collectively through persons connected (as defined under the relevant applicable law), holds 20.0% or more of the issued share capital of our Company (excluding treasury shares, if any).*
- (2) *Being the additional number of Shares vested to directors and senior management for achieving certain stretched performance targets (based on a predetermined performance matrix) on vesting date, as stipulated in the relevant letter(s) of offer to participate in the Existing LTIP ("**Multiplier**").*
- (3) *Excludes the Multiplier effects which cannot be quantified at this juncture.*
- (4) *Including the previous Executive Directors of our Company.*

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### 3. RATIONALE FOR THE PROPOSED LTIP

The Proposed LTIP aims to:

- (a) steer the focus of Axiata's top executives towards achieving our Company's performance and to reward them accordingly;
- (b) retain and motivate Eligible Employees whose services are important to the continued growth of our Group and to attract top executives with relevant and complementary skills to join our Group;
- (c) be a tool to assist in developing capabilities and promoting commitment by motivating each Eligible Employee to raise performance standards and to sustain high levels of contributions over a long-term; and
- (d) align the interest of the Eligible Employees with our shareholders via the Proposed LTIP which would encourage contributions toward long-term shareholder value enhancement, and in turn to ensure the continued success of our Group.

### 4. EFFECTS OF THE PROPOSED LTIP

The pro forma effects of the Proposed LTIP on the issued share capital and substantial shareholders' shareholdings of our Company are illustrated based on the following scenarios:

<b>Scenario A</b>	:	Assuming none of the awards granted as at LPD under the Existing LTIP are vested before the vesting of new LTIP Awards under the Proposed LTIP
<b>Scenario B</b>	:	Assuming all of the awards granted as at LPD under the Existing LTIP (excluding the Multiplier effects, as detailed in Note (2) of Section 2.5 of this Circular, which cannot be quantified at this juncture) are vested before the vesting of new LTIP Awards under the Proposed LTIP

#### 4.1 Issued share capital

The Proposed LTIP is not expected to have any immediate effect on the existing issued share capital of our Company. However, the issued share capital of our Company will increase progressively as and when the new Axiata Shares are allotted and issued pursuant to the vesting of the LTIP Awards under the Proposed LTIP.

For illustration purposes only, assuming that the Maximum Shares available under the Proposed LTIP are fully granted and vested through the issuance of new Axiata Shares to the Grantees, the pro forma effects of the Proposed LTIP on our Company's issued share capital are as follows:

	Scenario A		Scenario B	
	No. of Shares	Amount	No. of Shares	Amount
	('000)	(RM'000)	('000)	(RM'000)
Issued share capital as at LPD	9,178,952	13,920,284	9,178,952	13,920,284
Add: New Shares to be issued assuming the vesting of all of the awards granted as at LPD under the Existing LTIP	-	-	6,403	<sup>(1)</sup> 24,305
	9,178,952	13,920,284	9,185,355	13,944,589
Add: Maximum Shares to be issued pursuant to the Proposed LTIP	<sup>(2)</sup> 275,369	<sup>(3)</sup> 726,973	<sup>(4)</sup> 275,561	<sup>(3)</sup> 727,480
<b>Enlarged issued share capital after the Proposed LTIP</b>	<b>9,454,321</b>	<b>14,647,257</b>	<b>9,460,916</b>	<b>14,672,069</b>

**Notes:**

- (1) *Derived based on the fair value of the respective grants under the Existing LTIP.*
- (2) *Derived based on 3.0% of the number of Shares in issue as at LPD of 9,178,951,782 Shares.*
- (3) *For illustrative purposes only, the issue price of the new Shares is assumed to be RM2.64 per Share, being the estimated fair value of the grants, which approximates the 5-day volume-weighted average market price of the Shares up to and including LPD of RM2.6408 per Share.*
- (4) *Derived based on 3.0% of the enlarged number of 9,185,355,028 Shares assuming all of the awards granted as at LPD under the Existing LTIP (excluding the Multiplier effects, as detailed in Note (2) of Section 2.5 of this Circular, which cannot be quantified at this juncture) are vested before the vesting of new LTIP Awards under the Proposed LTIP.*

It should be noted that even if the Maximum Shares are allocated to the Grantees, the actual number of Axiata Shares to be issued may be less as only the Grantees who meet the grant and vesting conditions would be entitled to the full vesting of the Axiata Shares allocated under the LTIP Awards.

Conversely, the actual number of Axiata Shares to be issued under the Proposed LTIP may be more than the Maximum Shares to be allocated to the Grantees due to a larger share base arising from the Axiata Shares issued under the Proposed LTIP and/or any other corporate exercise over the LTIP Period.

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## 4.2 Substantial shareholders' shareholdings

The Proposed LTIP will not have an immediate effect on the shareholdings of our substantial shareholders. The dilution to the shareholdings of our substantial shareholders will depend on the number of new Axiata Shares allotted and issued to the Grantees at the relevant point in time pursuant to the Proposed LTIP.

For illustrative purposes only, the pro forma effects of the Proposed LTIP on our substantial shareholders' shareholdings based on the register of substantial shareholders of our Company as at LPD are as follows:

### Scenario A

Name	As at LPD				After the Proposed LTIP			
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>
Khazanah Nasional Berhad (" <b>Khazanah</b> ")	3,371,238,617	36.73	-	-	3,371,238,617	35.66	-	-
Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board (" <b>EPF</b> ")	1,615,908,528	17.60	-	-	1,615,908,528	17.09	-	-
Amanahraya Trustees Berhad - Amanah Saham Bumiputera (" <b>ASB</b> ")	1,095,403,787	11.93	-	-	1,095,403,787	11.59	-	-

#### Notes:

(1) Based on 9,178,951,782 issued Shares as at LPD.

(2) Based on the enlarged number of 9,454,320,335 Shares after the Proposed LTIP.

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## Scenario B

Name	As at LPD				Proforma I				Proforma II			
					After the vesting of all of the awards granted as at LPD under the Existing LTIP							
	<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->		<-----Direct----->		<-----Indirect----->	
No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(2)</sup>	No. of Shares	% <sup>(3)</sup>	No. of Shares	% <sup>(3)</sup>	
Khazanah	3,371,238,617	36.73	-	-	3,371,238,617	36.70	-	-	3,371,238,617	35.63	-	-
EPF	1,615,908,528	17.60	-	-	1,615,908,528	17.59	-	-	1,615,908,528	17.08	-	-
ASB	1,095,403,787	11.93	-	-	1,095,403,787	11.93	-	-	1,095,403,787	11.58	-	-

**Notes:**

- (1) Based on 9,178,951,782 issued Shares as at LPD.
- (2) Based on the enlarged number of 9,185,355,028 Shares, assuming all of the awards granted as at LPD under the Existing LTIP (excluding the Multiplier effects, as detailed in Note (2) of Section 2.5 of this Circular, which cannot be quantified at this juncture) are vested before the vesting of new LTIP Awards under the Proposed LTIP.
- (3) Based on the enlarged number of 9,460,915,679 Shares after Pro forma I and the Proposed LTIP.

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#### **4.3 NA, NA per Share and gearing**

The Proposed LTIP will not have an immediate effect on the consolidated NA, NA per Share and gearing of our Group until such time that new Axiata Shares are issued pursuant to the Proposed LTIP. Any potential effect on the NA per Share will depend on the number of Axiata Shares to be issued which can only be determined at the point of the vesting of the LTIP Awards pursuant to the Proposed LTIP.

Nonetheless, assuming the effects of the Proposed LTIP only, the consolidated NA per Share of our Company is expected to be diluted following the allotment and issuance of new Axiata Shares to satisfy any LTIP Awards to the Grantees.

The Proposed LTIP is not expected to have a material impact on our Group's consolidated NA per Share and consolidated gearing for the FYE 31 December 2023.

#### **4.4 Earnings and EPS**

With the adoption of MFRS 2, the cost of the Proposed LTIP will need to be measured at fair value on the date of such LTIP Awards and recognised as an expense in the earnings over the vesting period of such LTIP Awards.

The extent of the effect of the Proposed LTIP on our Group's consolidated earnings and EPS cannot be determined at this juncture as it would depend on the fair value of the new Axiata Shares to be issued as at the respective dates of the LTIP Awards.

The Proposed LTIP is also expected to have a dilutive effect on our Group's EPS due to an increase in the number of Axiata Shares should there be any allotment and issuance of new Axiata Shares to satisfy the LTIP Awards.

In view of this, our Board has taken note of the potential effect of MFRS 2 on our Group's earnings and will take reasonable measures to manage the effect on the consolidated EPS of our Group in the granting of the LTIP Awards to the Eligible Employees.

#### **4.5 Convertible securities**

As at LPD, our Company does not have any convertible securities.

### **5. APPROVALS REQUIRED**

The Proposed LTIP is subject to and conditional upon the following approvals being obtained:

- (i) our shareholders at the forthcoming EGM;

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- (ii) Bursa Securities for the listing and quotation of such number of new Axiata Shares, representing up to 3.0% of the total number of issued Axiata Shares (excluding treasury shares, if any) to be issued pursuant to the Proposed LTIP on the Main Market of Bursa Securities, which was obtained vide its letter dated 29 August 2023, subject to the following conditions:

No.	Conditions	Status of compliance
1.	AmInvestment Bank and Axiata must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed LTIP;	To be complied.
2.	AmInvestment Bank is required to submit a confirmation to Bursa Securities of full compliance of the Proposed LTIP pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation together with a certified true copy of the resolution passed by the shareholders in general meeting approving the Proposed LTIP; and	To be complied.
3.	Axiata is required to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the Proposed LTIP as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied.

; and

- (iii) the approvals/consents of any other relevant authorities/parties, if required.

The Proposed LTIP is not conditional or inter-conditional upon any other corporate exercise and/or scheme of our Company.

With regards to item (i) above, the implications for voting in favour of the Proposed LTIP are set out below for shareholders' information.

Pursuant to Section 85(1) of the Act read together with clause 66(i) of the Constitution of our Company, the existing shareholders of our Company have pre-emptive rights to be offered new Shares in our Company in proportion to their shareholdings in our Company.

Section 85(1) of the Act states that:

*“Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.”*

Clause 66(i) of the Constitution of our Company states that:

*“Subject to any direction to the contrary that may be given by the Company in a meeting of members, all new shares or other convertible securities shall before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of meetings of members in proportion, as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled.”*

Accordingly, in order for our Board to issue and allot any new Shares in accordance with the terms of the Proposed LTIP without first having to offer those Shares to our shareholders in proportion to their shareholdings in our Company, our shareholders' pre-emptive rights under Section 85(1) of the Act read together with clause 66(i) of our Constitution must first be waived. Such waiver has been incorporated in the ordinary resolution pertaining to the Proposed LTIP to be tabled at our forthcoming EGM and set out in the Notice of EGM enclosed in this Circular. Essentially, this means that if the ordinary resolution pertaining to the Proposed LTIP is approved by our shareholders at our forthcoming EGM, such approval is also tantamount to our shareholders agreeing to waive their pre-emptive rights in respect of the Shares to be allotted and issued by our Company pursuant to the Proposed LTIP. Such waiver, if approved, will also result in the dilution of our shareholders' shareholdings in the event new Shares are allotted and issued to the Grantees pursuant to the Proposed LTIP.

## 6. CORPORATE EXERCISE AND/OR SCHEME ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed LTIP and the following corporate exercise, we have not announced any other corporate exercises and/or schemes which have yet to be completed prior to the printing of this Circular:

- (a) On 19 April 2022, ISOC edotco Towers, Inc. ("**edotco Towers**"), a wholly-owned subsidiary of edotco Group Sdn. Bhd., which in turn is a 63.0% owned subsidiary of Axiata, had entered into a Sale and Purchase Agreement with Smart Communications, Inc. and Digitel Mobile Philippines, Inc. for the acquisition of 2,973 telecom towers and related assets in the Philippines for a total purchase consideration of Philippine Peso 42,000.0 million (equivalent to RM3,420.0 million), which will be disbursed in phases in accordance with the successful transfer of the assets in batches ("**Proposed Acquisition**").

Upon completion of the Proposed Acquisition, Axiata expects that edotco Tower's position will be cemented as the 6th largest independent tower company globally, one of the leading tower companies in Asia and the leading independent tower company in the Philippines. In addition, the Proposed Acquisition will reduce edotco Tower's exposure to Axiata operating companies from 56.0% to 48.0% with an increased portfolio concentration towards emerging markets from the frontier footprint. On 18 April 2023, our Group had announced that the conditions precedent for the fifth closing event of the transaction have been fulfilled following which a transfer of 135 relevant sites was completed on 18 April 2023, and that a cumulative total of 2,625 sites have been transferred as of 18 April 2023.

## 7. INTEREST OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED

Vivek Sood, being the Group Chief Executive Officer and Managing Director of our Company, and Dr. Shridhir Sariputta Hansa Wijayasuriya, being the Group Executive Director and Chief Executive Officer of Telecommunications Business of our Company, are entitled to participate in the Proposed LTIP and are therefore deemed interested in the Proposed LTIP to the extent of the Proposed Award (collectively, the "**Interested Directors**"). As such, the Interested Directors have abstained and will continue to abstain from deliberating and voting on the resolution pertaining to their respective allocation under the Proposed Award at the relevant Board meetings.

The Interested Directors will abstain from voting in respect of their direct and/or indirect shareholdings in our Company (if any) on the resolution pertaining to their respective allocation under the Proposed Award to be tabled at our forthcoming EGM.

The Interested Directors have also undertaken to ensure that the persons connected with them (if any) will abstain from voting in respect of their direct and/or indirect shareholdings in our Company on the resolution pertaining to their respective allocation under the Proposed Award to be tabled at our forthcoming EGM.

The direct and indirect shareholdings of the Interested Directors in our Company based on the register of directors' shareholding as at LPD are as follows:

	<-----Direct----->		<-----Indirect ----->	
	No. of Shares	%	No. of Shares	%
Vivek Sood	765,800	(1)	-	-
Dr. Shridhir Sariputta Hansa Wijayasuriya	(2) 976,773	0.01	-	-

**Notes:**

(1) Less than 0.01%.

(2) Shares held under CGS-CIMB Nominees (Asing) Sdn. Bhd.

As at LPD, Vivek Sood and Dr. Shridhir Sariputta Hansa Wijayasuriya have also been granted 440,050 Axiata Shares and 576,950 Axiata Shares respectively, which have not vested under the Existing LTIP.

Save as disclosed above, none of our directors, major shareholders, chief executive and/or persons connected with them have any interest, direct and/or indirect, in the Proposed LTIP.

**8. DIRECTORS' STATEMENT AND RECOMMENDATION**

Our Board, having considered all aspects of the Proposed LTIP including the rationale and pro forma effects of the Proposed LTIP, is of the opinion that the Proposed LTIP is in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the resolution pertaining to the Proposed LTIP at our forthcoming EGM.

Our Board (other than the Interested Directors), having considered all aspects of the Proposed Award including the rationale and pro forma effects of the Proposed LTIP, is of the opinion that the Proposed Award is in the best interest of our Company. Accordingly, our Board (other than the Interested Directors) recommends that you vote in favour of the resolution pertaining to the Proposed Award at our forthcoming EGM.

**9. ESTIMATED TIMEFRAME FOR IMPLEMENTATION OR COMPLETION**

Barring any unforeseen circumstances and subject to all requisite approvals/consents being obtained, we expect to implement the Proposed LTIP by the fourth quarter of 2023.

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## 10. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of Axiata Shares as traded on the Main Market of Bursa Securities for the past twelve months from September 2022 up to August 2023 are as follows:

<u>Month</u>	<u>High (RM)</u>	<u>Low (RM)</u>
<b>2022</b>		
September	2.93	2.49
October	2.72	2.25
November	3.13	2.60
December	3.12	2.75
<b>2023</b>		
January	3.05	2.80
February	3.17	2.87
March	3.17	2.89
April	3.13	2.95
May	3.10	2.71
June	2.86	2.57
July	2.69	2.47
August	2.69	2.36

Last transacted market price of Axiata Shares on 18 August 2023 (being the last trading day prior to the announcement of the Proposed LTIP on 21 August 2023) **RM**  
2.60

Last traded market price of Axiata Shares as at LPD 2.64

*(Source: Bloomberg)*

## 11. EGM

The ordinary resolutions in respect of the Proposed LTIP and Proposed Award will be tabled at our forthcoming EGM. This Circular is available at <https://www.axiata.com/investors/egm/> together with, amongst others, the Notice of EGM, Proxy Form and the Administrative Notes for the EGM.

The EGM will be held on Tuesday, 19 September 2023 at 2.30 p.m. or at any adjournment thereof. The broadcast venue for the EGM is at Auditorium, Level 32, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia.

The voting of the EGM will be conducted on a poll. If you are unable to attend and vote by yourself at the EGM, 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 Monday, 18 September 2023 at 2.30 p.m. The proxy appointment may also be lodged electronically via Tricor's TIIH Online website at <https://tiih.online> no later than Monday, 18 September 2023 at 2.30 p.m. For further information on the electronic lodgement of Proxy Form, kindly refer to the Administrative Notes for the EGM.

You may attend and vote by yourself at our forthcoming EGM 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 EGM.

## **12. FURTHER INFORMATION**

You are advised to refer to the attached appendices for further information.

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

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

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP**

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**AXIATA GROUP LONG-TERM INCENTIVE PLAN  
BY-LAWS**

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**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In these By-Laws, the following words and expressions shall bear the following meanings, unless the context otherwise requires.
- (a) “Act” means the Companies Act 2016 as amended from time to time and any re-enactment thereof.
  - (b) “Adviser” means a principal adviser under the SC’s Guidelines on Submission of Corporate and Capital Market Product Proposals and the Licensing Handbook.
  - (c) “Affected Employee” shall have the meaning ascribed to it in clause 23.1.
  - (d) “Constitution” means the constitution of the Company as amended from time to time.
  - (e) “Auditor” means any firm of approved company auditors, as defined under the Act.
  - (f) “Award” means the entitlement to receive new Shares under this Scheme, pursuant to a contract constituted by an acceptance by the relevant Eligible Employee of the Offer (pursuant to clause 8.1) in relation to that Award, and “Awards” shall be construed accordingly.
  - (g) “Award Commencement Date” means the date fixed by the Board as the date on which the relevant Award Period commences.
  - (h) “Award Period” means, in respect of an Award, the period commencing from that Award Commencement Date and expiring on the Market Day immediately preceding the Award Termination Date (both dates inclusive).
  - (i) “Award Termination Date” means, in respect of an Award, the date of which the Award terminates, expires, lapses and/or otherwise ceases to be of any force and effect in accordance with these By-Laws.
  - (j) “Board” means the board of directors of the Company for the time being.
  - (k) “BNRC” means the Board Nomination and Remuneration Committee of the Company, or any other equivalent committee (by whatever name) established by the Board.
  - (l) “Bursa Depository” means Bursa Malaysia Depository Sdn. Bhd. (165570-W).
  - (m) “Bursa Securities” means Bursa Malaysia Securities Berhad (635998-W).
  - (n) “By-Laws” means collectively, the terms and conditions of this Scheme as set forth in these By-Laws as amended, modified and/or supplemented from time to time.
  - (o) “CDS” means the Central Depository System established, administered and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository.
  - (p) “CDS Account” means the account established by Bursa Depository for a depositor for the recording of deposit of securities and dealings in such securities by that depositor of securities.
  - (q) “Company” means Axiata Group Berhad (199201010685 (242188-H)), a public company limited by shares and incorporated in Malaysia.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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- (r) "Date of Offer" means, in respect of an Offer, the date of the letter containing an Offer to be made to a selected Eligible Employee to participate in this Scheme.
- (s) "Disciplinary Proceedings" means proceedings instituted by a Group Company against a Grantee employed by that Group Company for any alleged misbehaviour, misconduct and/or any other act of the Grantee's deemed to be unacceptable by that Group Company in the course of that Grantee's employment, whether or not such proceedings may give rise to a dismissal or termination of the contract of service of such Grantee
- (t) "Eligible Employee" means an employee of a Group Company who is selected to be eligible for participation in this Scheme as set forth in clause 2.2, and "Eligible Employees" means any two or more of them.
- (u) "Ex-Group Company" shall have the meaning ascribed to in clause 2.4(c)(i).
- (v) "FYE" means Financial year ended or ending 31 December, as the case may be.
- (w) "GCEO" means the Group Chief Executive Officer and Managing Director, or equivalent officer, of the Company.
- (x) "Grantee" means an Eligible Employee who has accepted an Offer in the manner indicated in clause 8.1, and "Grantees" means any two or more of them.
- (y) "Group" means collectively, all Group Companies.
- (z) "Group Company" means any one of the Company and the Subsidiaries, and "Group Companies" means any two or more of them.
- (aa) "Market Day" means any day between Monday and Friday (both days inclusive) which is not a public holiday, and on which Bursa Securities is open for the trading of securities.
- (bb) "Maximum Shares" shall have the meaning ascribed to it in clause 3.1.
- (cc) "Notice of Vesting" means the notice that is given by the Company to the Grantees stipulating the vesting date of any Award.
- (dd) "Offer" means the offer made in writing by the Board to an Eligible Employee in the manner indicated in clause 7, and "Offers" shall be construed accordingly.
- (ee) "Previous Company" shall have the meaning ascribed to it in clause 2.4(a).
- (ff) "RM" means the Ringgit, the legal currency of Malaysia.
- (gg) "SC" means the Securities Commission Malaysia.
- (hh) "Scheme" means the Axiata Group Long-Term Incentive Plan on the terms of these By-Laws.
- (ii) "Shares" means the ordinary shares in the capital of the Company, and "Share" means any one of them.
- (jj) "Subsidiary" means subject to clause 2.3, a subsidiary (as defined in the Act) of the Company which is not dormant, and "Subsidiaries" shall be construed accordingly.
- (kk) "Unvested Shares" means Shares under an Award which have not been vested in the Grantee at the relevant time stipulated in the Award.



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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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- 1.2 In these By-Laws, unless the context otherwise requires:
- (a) any reference to a statutory provision or an applicable law shall include a reference to:
    - (i) any and all subsidiary legislations made from time to time under that provision or law;
    - (ii) any and all listing requirements, policies and/or guidelines of Bursa Securities (whether or not having the force of law but, if not having the force of law, the compliance with which is in accordance with the reasonable commercial practice of persons to whom such requirements, policies and/or guidelines are addressed by Bursa Securities);
    - (iii) that provision as from time to time modified or re-enacted, whether before or after the date of these By-Laws, so far as such modification or re-enactment applies or is capable of applying to any Award offered and accepted within the duration of this Scheme; and
    - (iv) any past statutory provisions (as from time to time modified or re-enacted) which has directly or indirectly been replaced;
  - (b) any reference to a clause is a reference to the relevant clause of these By-Laws;
  - (c) the headings to the provisions are for convenience only, and shall not be taken into account in the interpretation of these By-Laws;
  - (d) any word importing:
    - (i) the singular meaning includes the plural meaning and vice versa; and
    - (ii) the masculine gender includes the feminine gender and vice versa;
  - (e) any liberty or power which may be exercised, and/or any determination which may be made, under these By-Laws:
    - (i) by the Board may be exercised in the Board's sole discretion pursuant to clause 15.1;
    - (ii) by the BNRC may be exercised in the BNRC's sole discretion, but subject always to the Board's power to overrule any decision of the BNRC;
    - (iii) by any other committee, established pursuant to clause 15.2, may be exercised in that committee's sole discretion, but subject always to the BNRC's power to overrule any decision of that committee; and
    - (iv) by the GCEO, may be exercised in the GCEO's sole discretion, but subject always to the Board's or BNRC's power to overrule any decision of the GCEO;
  - (f) if an event is to occur on a stipulated day which is not a Market Day, then the stipulated day shall be taken to be the first Market Day after that day; and if an event is to occur on a stipulated day which falls after the expiry of this Scheme then the stipulated day shall be taken to be the last Market Day of this Scheme's tenure;
  - (g) any reference to a corporation being associated with another corporation shall be construed to mean that the first corporation beneficially owns at least 20.0% of the equity capital of the other corporation, or vice versa;

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**


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- (h) in the event of any change in the name of the Company from its present name, all references to “Axiata Group Berhad” in these By-Laws and all other documents pertaining to this Scheme shall be deemed to be references to the Company’s new name; and
  - (i) a day, month or year shall be construed by reference to the Gregorian calendar.
- 1.3 This Scheme shall be known as the “Axiata Group Long Term Incentive Plan”.
- 2. ELIGIBILITY AND OFFER**
- 2.1 Subject to clause 2.2, Eligible Employees may be selected from time to time and at any time for the purposes of this Scheme by the Board. Each selection of Eligible Employees made by the Board shall be separate and independent from any other selection previously or later made by the Board.
- 2.2 No person shall be selected to be an Eligible Employee unless that person, as of any Date of Offer:
- (a) has attained the age of 18 years;
  - (b) has entered into a full-time or fixed-term contract of employment with any Group Company and whose service has been confirmed; and
  - (c) has fulfilled any other eligibility criteria which has been determined by the Board or BNRC at its absolute discretion, as the case may be,
- and in the case where the person is a director of the Company, the person must be an executive director of the Company. For the avoidance of doubt, the Board and/or the BNRC may, at its sole discretion, determine any other eligibility criteria and/or waive any of the eligibility criteria set forth in this clause 2.2 for the purposes of selecting an Eligible Employee at any time and from time to time.
- 2.3 Subject to these By-Laws and to any applicable law, the Board shall have the absolute discretion, at any time and from time to time, to extend the benefit of this Scheme to any employee of any corporation which is not a Group Company but which is a subsidiary of or is associated with a Group Company, and deem such an employee to be an Eligible Employee and such a company to be a Group Company, in the situation where such an employee had at any time (whether before or after the coming into force of these By-Laws) been seconded from any Group Company to that company.
- 2.4 The Board shall have the absolute discretion to extend (or not) the benefit of this Scheme to an employee in any of the following circumstances:
- (a) an employee who is in the employment of a corporation which is not a Group Company (“Previous Company”) but which subsequently becomes a Group Company as a result of a restructuring, an acquisition, a merger, a disposal, a divestment or other exercise involving the Company and/or any Group Company;
  - (b) an employee who was employed in a Previous Company and is subsequently transferred from that Previous Company to a Group Company; or
  - (c) where:
    - (i) a corporation that was a Group Company ceases to be a Group Company (“Ex-Group Company”); and
    - (ii) an employee of that Ex-Group Company is re-employed by another Group Company.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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- 2.5 In the case where an employee is transferred, from a Group Company to a corporation which is not a Group Company, that employee may, at the absolute discretion of the Board, continue to be entitled to all of his rights in respect of his Award, subject to these By-Laws.
- 2.6 Eligibility under this Scheme does not confer on any Eligible Employee any claim, right to participate in, or any other right whatsoever under, this Scheme, and an Eligible Employee does not acquire or have any right over, or in connection with, any Award under this Scheme unless an Offer has been made by the Board to that Eligible Employee and that Eligible Employee has accepted the Offer in accordance with the terms of the Offer and these By-Laws.
- 2.7 Notwithstanding anything to the contrary, an Eligible Employee or Grantee may participate at any time in another employee share scheme or share option scheme of any other corporation, whether or not a Group Company, unless the Board otherwise determines in its absolute discretion.
- 2.8 Without prejudice to the generality of clause 7.3, any Offer made by the Board that has not been accepted yet, shall become void, of no effect and incapable of acceptance upon any of the following events occurring:
- (a) the offeree's death;
  - (b) the offeree ceasing to be an employee of any Group Company, otherwise than pursuant to his resignation from employment;
  - (c) the offeree giving notice of his resignation from employment;
  - (d) the offeree being adjudged a bankrupt; or
  - (e) the corporation which employs the offeree ceasing to be a Group Company.
- 2.9 For the avoidance of doubt, no Award may be granted to any person who is a director of the Company or a person connected to a major shareholder or director of the Company (within the meaning of the Main Market Listing Requirements of Bursa Securities), unless the specific grant of that Award, and the related allotment of new Shares pursuant to that Award, to that person shall have previously been approved by the Company's members in a general meeting.
- 2.10 The Board may in its absolute discretion revoke or suspend the nomination of any Group Company at any time and from time to time, whereupon the employees of such corporation shall henceforth cease to be eligible for any Offer or grant of Award under this Scheme, provided that any Award already granted shall not be affected by such revocation or suspension and shall continue to be exercisable or may vest in accordance with the provisions of these By-Laws.
- 3. MAXIMUM AMOUNT OF SHARES AVAILABLE UNDER THIS SCHEME**
- 3.1 The total number of Shares which may be allotted and issued pursuant to Awards under this Scheme shall not exceed in aggregate 3.0% of the total number of issued Shares (excluding treasury shares, if any) at any point in time during the duration of this Scheme as provided in clause 18 ("Maximum Shares").
- 3.2 In the event the Maximum Shares exceed the 3.0% limit referred to in clause 3.1 as a result of the Company purchasing its own Shares in accordance with the provisions of the Act and/or reducing its issued share capital, all Offers made and Awards granted prior to the said variation of the issued share capital of the Company shall remain valid and exercisable and may vest in accordance with the provisions of this Scheme as if that purchase and/or reduction had not occurred. If, after such purchase, cancellation or reduction, the Maximum Shares as at the date of purchase, cancellation or reduction of Shares exceeds the 3.0% limit referred to in clause 3.1, no further Offers and Awards shall be made by the Board until such aggregate number of Shares in respect of the Offers and Awards granted falls below the 3.0% limit.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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**4. BASIS OF ALLOTMENT**

- 4.1 The aggregate number of Shares that may be offered and allotted to any one of the Eligible Employees under this Scheme at any time shall be determined at the sole and absolute discretion of the Board, after taking into consideration, amongst other factors, the performance as well as the years of service of the Eligible Employee and such other criteria as the Board may deem relevant (subject always to these By-Laws and any applicable law). Notwithstanding the foregoing, not more than 10.0% of the Shares available under this Scheme and/or any other schemes involving new issuance of Shares to Eligible Employees to be implemented from time to time shall be allocated to any individual Eligible Employee who, either singly or collectively through persons connected (as defined under the relevant applicable law), holds 20.0% or more of the total number of issued Shares (excluding treasury shares, if any).
- 4.2 For the avoidance of doubt, the BNRC shall have sole and absolute discretion in determining whether the new Shares available for vesting under this Scheme are to be offered to the Eligible Employees or any group or groups of Eligible Employees via:
- (a) one single Award at a time determined by the BNRC; or
  - (b) several Awards where the vesting of the number of new Shares comprised in the Awards are staggered or made in several tranches at such times, in such sizes and on such terms as may be determined by the BNRC.
- 4.3 In the event the BNRC decides that the Award or vesting of any number of new Shares is to be staggered, the number of new Shares to be offered in each Award and the timing for the vesting of the same shall be decided by the BNRC at its sole and absolute discretion. Each Award shall be separate and independent from the others.

**5. ALTERATION OF SHARE CAPITAL**

- 5.1 If the BNRC so decides (but not otherwise), in the event of any alteration in the capital structure of the Company during the duration of this Scheme, whether by way of capitalisation of profits or reserves, rights issues, bonus issues, capital reduction, capital repayment, sub-division or consolidation of capital, or otherwise howsoever taking place, such corresponding alterations (if any) may be made to this Scheme.
- 5.2 Alterations may be made in:
- (a) the number of Unvested Shares comprised in an Award; and/or
  - (b) the method and/or manner in the vesting of the Shares under an Award.
- 5.3 The alterations as set out in clause 5.2 shall be in such a manner as to give the Grantee a fair and reasonable Award entitlement, as certified in writing (other than for adjustments made pursuant to a bonus issue) by the Auditor or Adviser of the Company (acting as an expert and not as an arbitrator) as being in its opinion fair and reasonable and such certification shall be final and binding in all respects, provided that:
- (a) upon any adjustment being made pursuant to this clause 5, the BNRC shall notify the Grantee (or his personal representatives, where applicable) in writing of the adjusted number of Shares comprised in the Award and/or the revised maximum number of Shares and/or percentage of the total Shares comprised in the Awards, that may vest at any time or in any period which supersedes the earlier Awards; and
  - (b) in the event that a fraction of a Share arising from the adjustments referred to in this clause 5 would otherwise be required to be issued upon the vesting of Shares under an Award, the Grantee's entitlement shall be rounded down to the nearest whole number.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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Unless otherwise determined by the BNRC, the adjustments pursuant to this clause 5 shall be effective on the day immediately following the book closure date for the event giving rise to that adjustment.

5.4 Notwithstanding anything to the contrary, the provisions of this clause 5 shall not apply where the alteration in the capital structure of the Company arises from:

- (a) any issue of new Shares or other securities as consideration (or part consideration) for an acquisition of any other securities, assets or business;
- (b) any special issue of new Shares or other securities to Bumiputera investors nominated by the Malaysian government and/or any other relevant authority of the Malaysian government to comply with the Malaysian government's policy on Bumiputera capital participation;
- (c) any private placement or restricted issue of new Shares or other securities by the Company;
- (d) any implementation of a Share buy-back arrangement by the Company under the Act;
- (e) any issue of warrants, convertible loan stocks or other instruments by the Company that gives a right of conversion into Shares or other securities, and any issue of new Shares or other securities arising from the exercise of any conversion rights attached to such convertible securities; or
- (f) any issue of new Shares upon the vesting of Shares under an Award.

**6. DISCIPLINARY PROCEEDINGS**

6.1 For the avoidance of doubt, in the event that a Grantee is subject to Disciplinary Proceedings (whether or not such Disciplinary Proceedings will give rise to a dismissal, non-renewal of contract or termination of service), the Board may in its discretion suspend any one or more of the Grantee's rights in respect of any Award then held by him, pending the outcome of such Disciplinary Proceedings, provided always that:

- (a) for the avoidance of doubt, in the event that such Grantee shall subsequently be found to be not guilty of all the charges which gave rise to such Disciplinary Proceedings, the Grantee's rights in respect of any Award then held by him shall remain unaffected (and where that Award had been suspended, the suspension shall be lifted);
- (b) (subject to clause 12.1(c)) in the event the Disciplinary Proceedings result in a dismissal, non-renewal of contract or termination of service of such Grantee, the Award held by that Grantee shall immediately lapse and be null and void and of no further force and effect upon the date of the notice of the dismissal or termination of service of such Grantee, notwithstanding that such dismissal, non-renewal of contract or termination of service may be subsequently challenged by the Grantee in any other forum; and
- (c) in the event that the Disciplinary Proceedings result in a demotion of the Grantee to a lower category of employment, the Board shall have the sole right to decide, at its discretion, whether or not the numbers of Shares comprised in the Award held by that Grantee which are unvested at that time may continue to vest and, if so, to impose such limits, terms and conditions as it deems appropriate, in respect of such Award (regardless of anything previously determined in respect of his Award);

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**


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but in any case and notwithstanding anything to the contrary, in the event such Grantee is found guilty of some or all of the charges but no dismissal, non-renewal of contracts or termination of service is recommended, the Board shall have the sole right to determine, at its discretion, whether or not the Shares under the Award (or any part thereof) may continue to vest and, if so, to impose such limits, terms and conditions as it deems appropriate, in respect of such exercise or vesting (regardless of anything previously determined in respect of his Award).

6.2 In the event the Board discovers and determines in its sole discretion that:

- (a) an Award had been granted to that Grantee as a result (whether wholly or partly) of; or
- (b) a Grantee has otherwise committed any;

fraud, forgery, criminal actions and/or deliberate financial misstatement, unless otherwise determined by the Board, the Award held by that Grantee shall forthwith lapse and become null and void and be of no further force and effect, but the Board shall still have the sole right to determine, at its discretion whether or not the Shares under the Award (or any part thereof) may continue to vest and, if so, to impose such limits, terms and conditions as it deems appropriate, in respect of such exercise or vesting (regardless of anything previously determined in respect of his Award).

6.3 Once the Shares are vested, such vested Shares (together with any dividend, rights, allotment and/or other distribution received in respect of such vested Shares and/or any realisation proceeds from the sale of such vested Shares, collectively "Assets") are held by the Grantee on trust for the Company:

- (a) in the event the Board determines in its sole discretion that:
  - (i) the Award, under which the Shares were vested, had been granted to that Grantee as a result (whether wholly or partly) of; or
  - (ii) a Grantee has otherwise committed any;

fraud, forgery, criminal actions and/or deliberate financial misstatement;

- (b) in the event that Disciplinary Proceedings result in a dismissal, non-renewal of contract or termination of service of such Grantee, notwithstanding that such dismissal, non-renewal of contract or termination of service may be subsequently challenged by the Grantee in any other forum; or
- (c) in the event that Disciplinary Proceedings result in a demotion of the Grantee to a lower category of employment;

the Board shall have the sole right to determine, at its discretion, whether or not the Shares under the Award may continue to vest, and that the Assets (or any part thereof), or in lieu of such Assets (in whole or in part) a cash amount representing the value thereof, shall be immediately transferred from the Grantee to the Company and/or to the Company's order.

## 7. OFFER

7.1 The Board may, during the duration of this Scheme as provided in clause 18, make one or more Offers during a year to any Eligible Employee, whom the Board may in its absolute discretion select, to be allotted during the Award Period new Shares in accordance with the terms of this Scheme and such Award. Each Offer made to any Eligible Employee by the Board shall be separate and independent from any previous or later Offer made by the Board to that Eligible Employee.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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7.2 Subject always to these By-Laws:

- (a) nothing shall prevent the Board from making more than one Offer to any Eligible Employee; and
- (b) the number of new Shares which an Eligible Employee may be entitled pursuant to an Offer shall be at the discretion of the Board and, subject to any adjustment that may be made under these By-Laws, shall be not be less than 100 Shares and shall always be in multiples of 100 Shares.

The numbers of Shares so offered for allotment pursuant to this Scheme shall be verified by the Company's Auditors as part of its audit exercise, which shall be disclosed in the Company's annual report.

7.3 An Offer may be made upon such terms and conditions (including (without limitation) timing, vesting, retention period, restrictions on transfer, forfeiture, and claw-back) as the Board may decide from time to time. Each Offer shall be made in writing and is personal to the Eligible Employee and cannot be assigned, transferred, encumbered or otherwise disposed of in any manner whatsoever, except that in the case where an Eligible Employee is not a resident in Malaysia, the Offer for the benefit of that non-resident Eligible Employee may be in favor of (and be accepted by) any person who represents, is a nominee of, is an agent of, and/or is a trustee of, that Eligible Employee. For the avoidance of doubt, the restriction in this clause 7.3 shall apply to any person who represents, is a nominee of, is an agent of and/or is a trustee of that Eligible Employee, to the extent where any assignment, transfer or disposal thereby is in favor of any person other than the Eligible Employee.

## **8. ACCEPTANCE OF OFFER**

8.1 An Offer shall be valid for a period of one month (or such other period as may be determined by the Board) from the date of that Offer. Any acceptance of that Offer must be made by the person to whom that Offer is made within that period by written notice to the Board (in such form as may be prescribed by the Board), accompanied by a payment to the Company of the sum of RM1.00 as a consideration for acceptance of that Offer and his CDS Account number. If that Offer is not accepted in this manner, that Offer shall, upon the expiry of the prescribed period, automatically lapse and shall be null and void and of no effect and the new Shares that would have been allotted in such Offer may, at the discretion of the Board, be offered to other Eligible Employees in accordance with these By-Laws.

## **9. NON-TRANSFERABILITY OF AWARD**

9.1 Subject to clause 12.2, an Award is personal to the Grantee thereof, and cannot be assigned, encumbered, transferred to otherwise disposed of in any manner whatsoever, except that in the case where an Eligible Employee is not a resident in Malaysia, the Award that is for the benefit of that non-resident Eligible Employee may then be held and its rights exercised by or in favour of any person who represents, is a nominee of, is an agent of, and/or is a trustee of, that Eligible Employee. For the avoidance of doubt, this clause 9.1 shall apply to any person who represents, is a nominee of, is an agent of and/or is a trustee of that Eligible Employee, to the extent where any assignment, transfer or disposal thereby is in favor of any person other than the Eligible Employee.

## **10. REFERENCE PRICE**

10.1 The reference price at which the Grantees shall be allotted new Shares pursuant to an Award shall be such value as determined by the Board based on and subject to applicable law and/or accounting standards.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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**11. ALLOTMENT OF SHARES**

11.1 The Shares to be allotted under an Award shall vest to the Grantee in accordance with the terms of the Award (as set forth in the Offer) and these By-Laws:

- (a) during his employment with a Group Company (unless otherwise expressly provided under these By-Laws); and
- (b) within the Award Period,

and not otherwise, during the normal business hours of the Company on such days and/or during such periods as the Board or the BNRC may decide for the purposes of vesting of the Awards, provided that no Shares under an Award shall vest beyond the expiry of the duration of this Scheme as provided for in clause 18. The Shares under an Award shall vest in multiples of 100 Shares.

11.2 Every Notice of Vesting must be in the form prescribed by the Board from time to time and will stipulate the vesting date for the Award. Within eight Market Days from the vesting date stipulated in the Notice of Vesting, the Company shall:

- (a) allot and issue such number of new Shares to the Grantee (subject to and in accordance with the provisions of the Constitution and all applicable laws); and
- (b) dispatch notices of allotment to the Grantee accordingly.

In any case, the Company will apply to Bursa Securities for the listing of and quotation for all the new Shares to be allotted pursuant to this Scheme and will use its best endeavors to obtain permission for such listing and quotation.

11.3 The new Shares to be issued pursuant to the vesting of an Award shall be credited directly into the CDS Account of the Grantee and no physical share certificates will be issued and delivered to the Grantee. The Grantee shall provide the Board with his CDS Account number or the CDS Account number when accepting any Offer in accordance with clause 8.1. Any change to his CDS Account number will need to be made in writing to the Board or the BNRC.

11.4 To the extent Shares under an Award have not vested upon expiry of the Award Period or vest at all for any reason whatsoever (including, without limitation, by reason of the Board determining that an Award shall not vest at all, pursuant to clause 11.5 the Award shall lapse and become null and void (unless extended at any time and from time to time by the Board in its sole discretion).

11.5 Notwithstanding clause 11.1, all Shares under the Awards that are granted under this Scheme shall vest only if the Board determines that Shares under the Awards are able to vest (and if so, determines the extent to which Shares under the Awards will vest) in accordance with such criteria as the Board may fix at any time and from time to time in its sole discretion, and (as the case may be) subject to such limits in numbers of Shares and times of vesting as may be determined by the Board also in its sole discretion. For the avoidance of doubt, no Shares under the Awards shall vest unless the same shall have been determined by the Board to be able to vest pursuant to this clause 11.5. In this regard, the Board may (without prejudice to the generality of the foregoing) impose such conditions precedent as the Board thinks fit in respect of the vesting of any Share under an Award. In respect of any year during the duration of this Scheme, the Board shall make the relevant determinations for the purposes of this clause 11.5 that are applicable to that year and notify Grantees of the same.



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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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**12. TERMINATION OF AWARD**

12.1 In the event of the cessation of employment of a Grantee with a Group Company for whatever reason, prior to the vesting of Shares under an Award, such Award or the balance thereof, as the case may be, shall forthwith cease to be valid without any claim against the Company. Such events of cessation of employment as referred to in this clause 12.1 include (without limitation):

- (a) if such cessation occurs by reason of:
  - (i) death or permanent disability;
  - (ii) redundancy or retrenchment;
  - (iii) retirement on attaining the normal retirement age under the Group's retirement policy;
  - (iv) ill-health, injury, physical or mental disability;
  - (v) acceptance by that Grantee of a voluntary separation scheme offered by the relevant Group Company and the last day of that Grantee's employment with such Group Company falls on or before the Award Termination Date; or
  - (vi) any other circumstance which is acceptable to the Board;
- (b) if such cessation occurs by reason of:
  - (i) resignation on the part of the Grantee;
  - (ii) the refusal on the part of the Grantee to accept an offer to renew his contract of employment; or
  - (iii) retirement before attaining normal retirement age; or
- (c) if such cessation occurs by reason of:
  - (i) termination:
    - (A) due to any refusal, failure or inability to perform his duties for any reason whatsoever;
    - (B) pursuant to Disciplinary Proceedings as described in clause 6.1(b);
    - (C) due to a breach of the contract of employment by the Grantee;
    - (D) due to the Grantee's failure to meet the requisite performance standards under his contract of employment;
  - (ii)
    - (A) expiry of a fixed term contract of employment which the relevant Group Company decides not to renew;
    - (B) due to a transfer to any corporation which is not a wholly-owned subsidiary of Axiata Group Berhad as may be determined by the GCEO; or
    - (C) the expiry of a fixed term contract of employment of a non-Malaysian employee;

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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and in any such event of cessation of employment referred to in this clause 12.1, the Board may in its sole discretion determine that Grantee's rights in respect of such Award (or part thereof) shall remain unaffected, subject to these By-Laws, including (without limitation) determination that all or any part of the Unvested Shares under the Award, can vest in accordance with the provisions of these By-Laws, and the times or periods at or within which such Shares under the Awards may vest (provided that no Shares under the Awards shall vest after the expiry of the Award Period). But, for the avoidance of doubt, in the absence of any such determination by the Board, the Award or the balance thereof, as the case may be, shall forthwith cease to be valid without any claim against the Company.

- 12.2 Where a Grantee dies before the expiry of the Award Period, prior to the vesting of Shares under an Award, such Award or the balance thereof, as the case may be, shall forthwith cease to be valid without any claim against the Company. However, notwithstanding the foregoing, the Board may at its discretion determine that all or any part of the Unvested Shares under the Awards held by the Grantee, can vest to the legal or personal representative of that Grantee, and the times or periods at or within which such Shares under the Awards may vest, provided always that no Shares under the Awards may vest after the expiry of the Award Period. In this regard, the Board may require the said personal or legal representative to provide evidence satisfactory to the Board of his status as such legal or personal representative.

**13. RETENTION PERIOD AND RESTRICTION ON TRANSFER**

- 13.1 The new Shares to be allotted and issued upon the vesting of an Award under this Scheme may be subjected to such retention period and/or restriction on transfer as may be determined by the Board at its sole discretion and specified in the terms of the Award.

**14. RANKING OF SHARES**

- 14.1 The new Shares to be made available pursuant to this Scheme shall be subject to the provisions of the Constitution of the Company.
- 14.2 The new Shares to be allotted and issued to the Grantees pursuant to this Scheme, shall, upon allotment and issuance, rank equally in all respects with the then existing Shares, except that they shall not participate in dividend, rights, allotment and/or other distribution, the entitlement date of which is prior to the date on which the new Shares are allotted to the Grantees pursuant to this Scheme.

**15. ADMINISTRATION OF THIS SCHEME**

- 15.1 This Scheme shall be administered by the Board. Subject to these By-Laws, the Board may, for the purpose of administering this Scheme, do all acts and things and enter into any transaction, agreement, deed, document or arrangement, and make such rules and regulations, impose such terms and conditions, appoint any adviser, agent, trustee or nominee to facilitate the implementation and operation of this Scheme, and/or delegate all or any part of its powers or duties relating to this Scheme which the Board may in its discretion consider to be necessary or desirable for giving full effect to this Scheme. Unless otherwise expressly provided, where these By-Laws provide that any discretion is to be exercised by the Board, that discretion may be exercised by the Board in its absolute discretion.
- 15.2 Without prejudice to clause 15.1, the Board may:
- (a) delegate its powers to the BNRC for the purposes of administering and managing this Scheme, including (without limitation), doing all acts and things and enter into any transaction, agreement, deed, document or arrangement, and make such rules and regulations, and impose such terms and conditions, which are to be done by the Board under these By-Laws;

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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- (b) establish a committee for the purposes of administering and managing this Scheme, including (without limitation), doing all acts and things and enter into any transaction, agreement, deed, document or arrangement, and make such rules and regulations, and impose such terms and conditions, which are to be done by the Board under these By-Laws, and to this end the Board may determine all matters pertaining to this committee, including (without limitation) its composition, duties, powers and limitations; and for the avoidance of doubt, the Board is entitled to delegate to such committee any right, discretion, power and/or authority which the Board has under and for the purposes of these By-Laws; and/or
  - (c) delegate its powers to the GCEO for the purposes of managing any specific aspect of this Scheme, including (without limitation), doing all acts and things and enter into any transaction, agreement, deed, document or arrangement, and make such rules and regulations, and impose such terms and conditions, which are to be done by the Board under these By-Laws, and to this end the Board may determine all matters pertaining to the delegation to the GCEO, including (without limitation) the applicable powers and limitations; and for the avoidance of doubt, the Board is entitled to delegate to the GCEO any right, discretion, power and/or authority which the Board has under and for the purposes of these By-Laws.
- 15.3 Where the Grantee is the GCEO, any authority, power or discretion to be exercised by the GCEO under these By-Laws in respect of the GCEO as Grantee shall be exercisable by the Board.
- 15.4 For the avoidance of doubt, any authority, power or discretion which is exercisable by the BNRC, any board committee and/or the GCEO hereunder may be exercised by the Board in substitution thereof, and/or may be revoked, reviewed, replaced, overruled and/or superseded by the Board.
- 16. MODIFICATION AND/OR AMENDMENT OF THESE BY-LAWS**
- 16.1 The terms and conditions of these By-Laws and this Scheme may from time to time be modified, altered, amended and/or deleted by resolution of the Board, except that (unless expressly provided in these By-Laws) no such modification, alteration, amendment and/or deletion shall be made which would either prejudice the rights then accrued to any Grantee without his prior written consent, or which would alter to the advantage of the Grantee in respect of any provision of these By-Laws without the prior approval of the Company's members in a general meeting (including, for the avoidance of doubt and without limitation, alterations to the advantage of the Grantee in respect of clauses 2, 3, 4, 5, 8, 9, 13, 14, 17 and 18), and subject to any applicable law.
- 17. LIQUIDATION OF COMPANY**
- 17.1 Upon the receipt of a court order of the winding-up of the Company, all Unvested Shares under an Award shall lapse and be null and void and of no further force and effect, and this Scheme shall terminate.
- 18. DURATION OF THIS SCHEME**
- 18.1 This Scheme shall be in force for a period of ten years commencing from the effective date, being the date upon which the Company has fully complied with the provisions of the Listing Requirements of Bursa Securities in relation to this Scheme ("Scheme Period"). All unvested Shares under the Awards which are not vested (whether fully or partially) shall forthwith lapse upon the expiry of this Scheme.
- 18.2 Notwithstanding anything set forth in these By-Laws and subject to compliance with the Listing Requirements in relation to this Scheme, the Company may terminate this Scheme at any time during the Scheme Period as the Company deems appropriate.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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**19. COSTS AND EXPENSES OF SCHEME**

- 19.1 All administrative costs and expenses incurred in relation to this Scheme, including but not limited to the costs and expenses relating to the allotment and issuance of the new Shares upon vesting of Shares under an Award, shall be borne by the Company.
- 19.2 For the avoidance of doubt, all other costs, fees, levies, charges, and/or taxes (including, without limitation, income taxes) that are incurred by an allottee of new Shares pursuant or relating to the vesting of Shares under an Award, and any holding or dealing of such new Shares (such as (but not limited to) brokerage commissions and stamp duty) shall be borne by that allottee for his own account, and the Company shall not be liable for any one or more of such costs, fees, levies, charges and/or taxes.

**20. COMPENSATION**

- 20.1 An Eligible Employee who ceases to hold office or employment shall not be entitled to any compensation for the loss of any right or benefit, or prospective right or benefit, under this Scheme which he might otherwise have enjoyed, whether such compensation is claimed by way of damages for wrongful dismissal, other breach of contract or by way of compensation for loss of office.
- 20.2 No Eligible Employee or Grantee, or legal or personal representative therefore, shall bring any claim, action or proceeding against the Company, the Board or any other party for any compensation, loss or damages whatsoever and howsoever arising from the suspension of the vesting of Shares under an Award, his Shares under an Award not vesting for any reason whatsoever, and/or his Award ceasing to be valid pursuant to the provisions of these By-Laws.

**21. INSPECTION OF AUDITED ACCOUNTS**

- 21.1 All Grantees shall be entitled to inspect a copy of the latest audited accounts of the Company, which shall be made available at the registered office of the Company during normal business hours on any working day of the Company.

**22. DIVESTMENTS OF SUBSIDIARIES**

- 22.1 If a Grantee is in the employment of a company which ceases to be a Group Company due to a subsequent disposal or divestment (in whole or in part) from the Group resulting in a subsequent holding of 50.0% or less of the equity of that company by another Group Company, then such Grantee will remain entitled to receive those Shares which have vested under the Awards granted to him under this Scheme on or before such disposal or divestment, but shall not be entitled to receive all or any part of the Shares under an Award that remain unvested nor shall he be eligible to any grant of further Awards under this Scheme.

**23. ACQUISITIONS OF SUBSIDIARIES**

- 23.1 Notwithstanding anything to the contrary, but subject to clause 2.4, in the case of an employee of a Previous Company, such an employee ("Affected Employee"):
- (a) will be entitled to continue to exercise all such unexercised rights or options that were granted to him under the Previous Company's employee share scheme or employee share option scheme in accordance with the by-laws of that Previous Company's employee share scheme or employee share option scheme, but he shall not, upon that Previous Company becoming a Group Company, be eligible to participate for further rights or options under such Previous Company's employee share scheme or employee share option scheme unless permitted by the Board; and
  - (b) (subject to the approval of the Board) may be eligible to participate in this Scheme only for the remaining duration of this Scheme;

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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provided that, notwithstanding anything to the contrary, the number of new Shares that may be offered to such an Affected Employee under clause 23.1(b) will always be subject to the discretion of the Board.

**24. SCHEMES OF ARRANGEMENT, TAKE-OVERS**

24.1 Notwithstanding clause 11, in the event of any application being made to the court for approval of a compromise or arrangement between the Company and its members proposed for the purposes of, or in connection with, a scheme of arrangement and/or arrangement and reconstruction of the Company under the Act, or its amalgamation with any other company or companies under the Act, the Board may at its discretion determine that a Grantee may be entitled to receive all or any part of the Shares under an Award that remain unvested in accordance with clause 11.5 commencing from the date upon which the application is so made to the court and ending on the date immediately prior to the date on which the scheme is approved (or on any other date specified by the Board in its sole discretion) after which all Unvested Shares under the Awards shall forthwith lapse.

24.2 Notwithstanding anything to the contrary, in the event of any take-over offer being made for the issued share capital of the Company or any other corporate proposal (including but not limited to a selective capital reduction exercise), being undertaken whereby all of the issued share capital of the Company is to be acquired (or all of the issued share capital of the Company ends up in the hands of one or more sponsor of such proposal), whether by way of a general offer or otherwise, the Board may in its sole discretion unilaterally decide:

- (a) to alter any Award Period applicable in respect of an Award, whether by shortening or lengthening the same;
- (b) to alter any Award Commencement Date and/or Award Termination Date;
- (c) to fix any Award Commencement Date and/or Award Termination Date; and/or
- (d) to alter the terms of any Award;

but in the absence of any such decision by the Board, upon any such take-over offer or corporate proposal becoming or being declared unconditional, all shares under the Award which have not vested in accordance to clause 11.5 shall vest in full, provided that if during such period a party becomes entitled or bound to exercise the rights of compulsory acquisition under the provision of any applicable law, and gives notice to the Company and/or any member of the Company that it intends to exercise such rights on a specific date, the Shares vested under the Award shall be issued and allotted prior to the specific date.

**25. THE CONSTITUTION**

25.1 Notwithstanding the terms and conditions contained in these By-Laws, if a situation of conflict should arise between these By-Laws and the Constitution, the provisions of the Constitution shall prevail at all times.

**26. SCHEME NOT A TERM OF EMPLOYMENT**

26.1 This Scheme shall not form part of, constitute or in any way be construed as any term or condition of employment of any Eligible Employee or Grantee. This Scheme shall not confer or be construed to confer on any Eligible Employee or Grantee any special right or privilege over and above the Eligible Employee's or Grantee's terms and conditions of employment under which that Eligible Employee or Grantee is employed.

26.2 For the avoidance of doubt, any Award or vesting of Shares is not exchangeable for any other form of asset, right, entitlement or benefit (whether in cash or in kind). The Company has no obligation to offer and/or pay any cash or other form of value in replacement or substitution of, or otherwise in lieu of, any Award or vesting of Shares pursuant to these by-Laws.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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**27. LIABILITY**

- 27.1 Notwithstanding any provision contained herein, and subject to all applicable laws, the Board, the Company, the BNRC, any committee established pursuant to clause 15.2 and/or the GCEO, shall not, under any circumstance, be held liable for any damages, cost, loss (whether pecuniary loss or non-pecuniary loss or both) and expense whatsoever and howsoever arising in any event, including but not limited to the Company's delay in allotting and issuing the Shares or in applying for or procuring the listing of the Shares on Bursa Securities.

**28. NOTICE**

- 28.1 Any notice under this Scheme required to be given to or served upon an Eligible Employee or Grantee shall be deemed to be sufficiently given, served or made if it is given, served or made by hand, by electronic mail, by facsimile transmission and/or by letter sent via ordinary post addressed to the Eligible Employee or Grantee at his place of employment, to his electronic mail address, at his last facsimile transmission number known to the Company, or to his last-known address. Any notice served by hand, by facsimile, by electronic mail or post as aforesaid shall be deemed to have been received at the time when such notice (if by hand) is received and duly acknowledged, (if by facsimile transmission) is transmitted with a confirmed log print-out for the transmission indicating the date, time and transmission of all pages, (if by electronic mail) the dispatch of the electronic mail, and (if by post) three days after postage.
- 28.2 Any notice under this Scheme required to be given to or served upon the Board or the BNRC by an Eligible Employee or Grantee shall be given, served or made in writing and delivered by hand or by registered post to the registered office of the Company in respect of the Board or the BNRC (or such other office or place which the Board may have stipulated from time to time for this purpose).

**29. MULTIPLE JURISDICTIONS**

- 29.1 In order to facilitate the making of any Offer and/or grant of Awards (and/or the benefit thereof) under this Scheme, the Board may provide for such special terms to apply to Offers and/or Awards to Grantees who are employed by a Group Company in a particular jurisdiction, or who are nationals of any particular jurisdiction, that is outside Malaysia, as the Board may consider necessary or appropriate to accommodate differences in applicable law, tax policy or custom. Moreover, the Board may approve such supplements to or amendments, restatements or alternative versions of, this Scheme as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of this Scheme as they are in effect for any other purpose, and the secretary of the Company or any other appropriate officer of the Company may certify any such document as having been approved and adopted in the same manner as this Scheme. No such special terms, supplements, amendments or restatement, however, shall include any provision that is inconsistent with the terms of this Scheme under these By-Laws as then in effect unless this Scheme and these By-Laws could have been amended to eliminate such inconsistency.

**30. SEVERABILITY**

- 30.1 Any term, condition, stipulation, and/or provision in these By-Laws which is illegal, void, prohibited or unenforceable shall be ineffective to the extent of such illegality, vividness, prohibition or unenforceability, but the same shall not invalidate or render illegal, void or unenforceable any other term, condition, stipulation, provision contained in these By-Laws.

**31. GOVERNING LAW, DISPUTES**

- 31.1 This Scheme, these By-Laws, and all Offers and Awards made and granted and actions taken under this Scheme shall be governed by and construed in accordance with the laws of Malaysia.

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**DRAFT BY-LAWS FOR THE PROPOSED LTIP (Cont'd)**

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- 31.2 In the event of a dispute between the Board, the BNRC, a committee or the GCEO (on the one hand), and an Eligible Employee or a Grantee (on the other hand), as to any matter or thing of any nature arising hereunder, the Board shall determine such dispute or difference by a written decision (without the obligation to give any reason for the same) given to the Eligible Employee or Grantee, as the case may be. The said decision of the Board shall be final and binding on the parties.

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**FURTHER INFORMATION**

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**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by our Board who collectively and individually accept full responsibility for the accuracy of the information given herein. Our Board hereby confirms that after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading.

**2. CONSENTS AND DECLARATIONS OF CONFLICT OF INTEREST****2.1 AmInvestment Bank**

AmInvestment Bank has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

AmInvestment Bank is a wholly-owned subsidiary of AMMB Holdings Berhad (“**AMMB**”). AMMB and its group of companies (collectively, “**AmBank Group**”) form a diversified financial group and are engaged in a wide range of transactions relating to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. AmBank Group’s securities business is primarily in the areas of securities underwriting, trading and brokerage activities, foreign exchange, commodities and derivatives trade.

In the ordinary course of their businesses, any member of the AmBank Group may at any time extend services to any company as well as hold long or short positions, and trade or otherwise effect transactions, for its own account or the account of its other clients, in debt or equity securities or senior loans of any company. Accordingly, there may be situations where parts of the AmBank Group and/or its existing or future clients, may have interests or take actions that may conflict with the interests of our Group.

As at LPD, AmBank Group has extended credit facilities amounting to approximately RM0.17 million to our Group, which represents less than 0.01% of the total audited loans, advances and financing of AMMB (being the holding company of AmBank Group) as at 31 March 2023.

Notwithstanding the above, AmInvestment Bank is of the opinion that its role as the Principal Adviser for the Proposed LTIP does not give rise to a conflict of interest situation in view that AmBank Group form a diversified financial group and are engaged in a wide range of transactions relating to amongst others, investment banking, commercial banking, private banking, brokerage, securities trading, asset and funds management and credit transaction services businesses.

**2.2 Willis Towers Watson Consulting (Singapore) Pte Ltd (“WTW”)**

WTW, the named Human Resource Consultant/Scheme Adviser for the Proposed LTIP, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

WTW is not aware of any conflict of interest that exists or is likely to exist in relation to its role as the Human Resource Consultant/Scheme Adviser for the Proposed LTIP.



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**FURTHER INFORMATION (Cont'd)**


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**3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES****3.1 Material commitments**

Save as disclosed below, as at 31 July 2023, our Board is not aware of any other 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.

	<u>RM'mil</u>
Approved and contracted for	2,998.4

**3.2 Contingent liabilities**

Save as disclosed below, as at 31 July 2023, our Board is not aware of any other 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.

	<u>RM'mil</u>
Litigation and claims by third parties against subsidiaries of Axiata	1,180.0

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

Save as disclosed below, as at LPD, our Group is not engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant, which have or may have a material and adverse effect on the financial position or business of our Group, and there is no proceeding pending or threatened against our Group, or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of our Group.

**(a) 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 (RM173.6 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.

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**FURTHER INFORMATION (Cont'd)**

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

On 20 November 2017, the LTU-VAT of the NBR issued a demand letter for BDT2,852.0 million (RM119.4 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.

Pending the hearing of the CMP by the Appellate Division, the High Court Division issued a certified copy of the judgement on maintainability on 23 August 2021. Robi subsequently 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, our solicitors are of the opinion that the claims by the LTU-VAT of the NBR have no legal basis and Robi will successfully defend its position.

**(b) 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 (RM387.1 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.

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**FURTHER INFORMATION (Cont'd)**


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- (i) The first show cause cum demand notice for BDT7,118.2 million (RM298.0 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 (RM38.1 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 (RM0.7 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 (RM1.5 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 (RM48.7 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 (RM312.3 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 (RM153.9 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 (RM16.5 million) in relation to VAT of BDT368.6 million (RM17.9 million) and supplementary duty payment of BDT25.7 million (RM1.1 million) based on Robi’s audited financial statements.
- (iii) The third show cause notice is on BDT1,308.0 million (RM54.8 million) in relation to VAT on revenue sharing.

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**FURTHER INFORMATION (Cont'd)**


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- (iv) The fourth show cause notice is on BDT2,081.2 million (RM87.1 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 rule nisi in favour of Robi on 31 August 2020. The rule nisi are pending for hearing.

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

**(c) 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 (RM363.1 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 (RM57.8 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.

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

**(d) 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 (RM152.2 million) to which Robi is challenging:

- (i) The demand notice for the period of March 2012 to April 2013 is for BDT830.6 million (RM34.8 million).

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**FURTHER INFORMATION (Cont'd)**


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- (ii) The demand notice for the period of July 2013 to June 2014 is for BDT596.8 million (RM25.0 million).
- (iii) The demand notice for the period of July 2014 to January 2016 is for BDT993.2 million (RM41.6 million).
- (iv) The demand notice for the period of February 2016 to April 2016 for BDT41.0 million (RM1.7 million).
- (v) The demand notice for the period of May 2016 to December 2016 is for BDT707.7 million (RM29.6 million).
- (vi) The demand notice for the financial years of 2010 to 2012 is for BDT466.9 million (RM19.5 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 our solicitors are of the opinion that Robi has reasonable grounds for success.

**(e) 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 (RM95.2 million) and interest of BDT378.2 million (RM15.8 million);
- (ii) for the assessment year 2014-2015, BDT2,246.3 million (RM94.1 million) and interest of BDT414.4 million (RM17.4 million); and
- (iii) for the assessment year 2015-2016, BDT2,263.2 million (RM94.8 million) and interest of BDT295.3 million (RM12.4 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.

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

**(f) 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.

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**FURTHER INFORMATION (Cont'd)**


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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 (RM61.5 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. On 1 June 2023, the Appellate Division had delivered the judgment where they allowed the appeal of the BTRC and rejected Robi's appeal. The Appellate Division also delivered a judgment where they allowed the appeal of NBR and BTRC, and dismissed the appeal of all operators (including Robi). Pursuant to the judgments, Robi has filed a revision application with the 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 (RM34.6 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.

Our solicitors are of the opinion that it is difficult to assess the likely outcome of this matter at this juncture.

**(g) 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 (RM76.1 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 (RM76.1 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 (RM111.4 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 (RM111.4 million).

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

**(h) Mahtab Uddin Ahmed vs Robi and 4 Others**

Former managing director and chief executive officer of Robi, Mahtab Uddin Ahmed ("MUA") filed a civil suit on 22 August 2022, being Title Suit 568 of 2022 ("Suit") against Robi and four others, before the 1st Court of the Joint District Judge, Dhaka. MUA is claiming BDT2,270.2 million (RM95.1 million) in retirement benefits and compensation, allegedly owed to MUA. The case is currently pending before the Court.

Our solicitors are of the opinion that Robi will have a good prospect of success in prevailing in the Suit.

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**FURTHER INFORMATION (Cont'd)**


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(i) **Ncell Axiata Limited (“Ncell”) vs Large Taxpayer Office of Nepal (“LTPO”) and Others**

**Amended assessment notice by LTPO of Nepal on income tax return filed by Ncell for fiscal year 2015 to 2016**

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 Income Tax Act (“**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 (RM4,401.2 million). Ncell responded to the Reassessment Notice on 12 January 2021 disagreeing, amongst 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 Supreme Court (“**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 (RM1,991.9 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 postponed by the SC a few times and recently to 3 October 2023.

Our solicitors are of the opinion that Ncell is likely to succeed in its petitions.

(j) **Ncell Employee Trade Union (“NETU”) vs Ncell**

On 13 January 2020, NETU filed an application at the Labour and Employment Office of Nepal (“**LO**”) claiming that the calculation of bonus by Ncell is in contrary to the provisions of the Bonus Act, 2030. On 4 September 2022, the LO rejected NETU’s claim on the computation of bonus based on taxable income determined by Nepal’s tax authority.

NETU subsequently filed an appeal at the Labour Court of Nepal (“**LC**”) challenging the decision of the LO on 31 October 2022. Pursuant to the order of the LC dated 15 February 2023, the LTPO submitted Ncell’s taxable income for financial year 2012/13 to financial year 2016/17. Both NETU and Ncell proceeded to submit their respective pleading notes.

Based on the information provided by LTPO, NETU has calculated the shortfall bonus as the difference between the Ncell’s self-assessed income and income assessed by the LTPO which amounts to approximately NPR8,751.2 million (RM301.3 million).

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**FURTHER INFORMATION (Cont'd)**

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On 3 August 2023, LC had ordered Ncell to submit copies of its financial statements by 29 August 2023. Following the submission of the financial statements, the LC will provide a hearing date.

Based on the external legal advice received, our Board is of the view that Ncell has good prospects of succeeding the claim.

**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 EGM:

- (i) the Constitution of our Company;
- (ii) the audited consolidated financial statements of our Company for the past two (2) FYEs 31 December 2021 and 31 December 2022 and the unaudited consolidated financial statements of our Company for the financial period ended 30 June 2023;
- (iii) the draft by-laws for the Proposed LTIP referred to in Appendix I of this Circular;
- (iv) the letters of consent referred to in Section 2, Appendix II of this Circular; and
- (v) the relevant cause papers in respect of the material litigation referred to in Section 4, Appendix II of this Circular.

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

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Extraordinary General Meeting (“**EGM**”) of Axiata Group Berhad (“**Axiata**” or “**Company**”) will be held as a virtual meeting conducted entirely through live streaming and remote voting using remote participation and voting facilities from the Broadcast Venue at Auditorium, Level 32, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia on Tuesday, 19 September 2023 at 2.30 p.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following ordinary resolutions:

### **ORDINARY RESOLUTION 1**

#### **PROPOSED ESTABLISHMENT OF A LONG-TERM INCENTIVE PLAN FOR THE ELIGIBLE EMPLOYEES AND EXECUTIVE DIRECTORS OF AXIATA AND ITS SUBSIDIARIES**

“**THAT**, subject to the approval of any relevant regulatory authority being obtained (where required):

- (a) approval be and is hereby given for the Company to establish, implement and administer a long-term incentive plan for the benefit of the eligible employees and executive directors of the Company and its subsidiaries (“**Proposed LTIP**”) subject to and in accordance with the terms of the By-Laws of the Proposed LTIP (“**By-Laws**”), a draft of which is set out in Appendix I of the Circular to Shareholders dated 4 September 2023 (“**Circular**”);
- (b) approval and authority be and are hereby given for the Board of Directors of the Company (“**Board**”):
  - (i) to implement, administer and give effect to the Proposed LTIP in accordance with the By-Laws;
  - (ii) to, at any time and from time to time during the duration of the Proposed LTIP, allot and issue such number of new ordinary shares in the Company (“**Shares**”) as may be required to be issued for the purposes of the Proposed LTIP, provided that the aggregate number of Shares issued under the Proposed LTIP shall not in aggregate exceed 3% of the total number of issued Shares (excluding treasury shares, if any) at any time and from time to time during the duration of the Proposed LTIP; and that these Shares shall, upon allotment and issuance, rank equally in all respects with the then existing Shares, except that they shall not participate in dividend, rights, allotment and/or other distribution, the entitlement date of which is prior to the date on which the new Shares are allotted to the grantees pursuant to the Proposed LTIP, and will be subject to the By-Laws and all the provisions of the Company’s Constitution (including, without limitation, relating to transfer, transmission and otherwise);
  - (iii) to do or procure to be done all acts, deeds and things, and to take all such decisions, as they may in their discretion deem fit, necessary, expedient and/or appropriate, and in the best interests of the Company, including making the necessary applications at the appropriate time or times to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing and quotation of the Shares which may from time to time be issued and allotted pursuant to the Proposed LTIP;

- (iv) to modify and/or amend the By-Laws from time to time as may be required in accordance with applicable law, provided that such modifications and/or amendments are effected and permitted in accordance with the provisions of the By-Laws relating to modifications and/or amendments;
  - (v) to execute, sign and deliver on behalf of the Company, all such agreements, arrangements, undertakings, instruments or other documents as may be necessary; and
  - (vi) to have full power to amend and/or assent to any condition, modification, variation and/or amendment as the Board may deem fit, necessary and/or expedient in the best interest of the Company or as may be imposed by the relevant regulatory authorities and to take all steps as it may consider necessary or expedient to implement, finalise and give full effect to and in connection with the above, with full powers to assent to any arrangement, condition, modification, variation and/or amendments thereto as the Board may deem fit in order to give effect to the Proposed LTIP;
- (c) pursuant to Section 85 of the Companies Act 2016 read together with Clause 66(i) of the Constitution of the Company, approval be and is hereby given for the waiver of the pre-emptive rights of the shareholders of the Company over any new Shares which may be allotted and/or issued and/or any grants or offers in respect of the same which may be made pursuant to or in respect of the Proposed LTIP and that the Board be exempted, in respect of the Proposed LTIP, from any obligation to offer or make any grants in respect of such new Shares first to the existing members of the Company in proportion to their respective shareholdings in the Company; and
- (d) approval be and is hereby given for the By-Laws (which is in compliance with the Main Market Listing Requirements of Bursa Securities) as set out in Appendix I of the Circular.”

## **ORDINARY RESOLUTION 2**

### **PROPOSED AWARD OF UP TO 15,000,000 SHARES TO VIVEK SOOD PURSUANT TO THE PROPOSED LTIP**

“**THAT**, subject to the passing of Ordinary Resolution 1 and subject to the approvals of all relevant authorities being obtained (where required):

- (a) approval be and is hereby given to the Board to, at any time and from time to time during the duration of the Proposed LTIP, subject always to such terms and conditions, and/or adjustments, which may be made in accordance with the provisions of the By-Laws, allot and issue up to an aggregate of 15,000,000 new Shares to be awarded, granted and/or vested to Vivek Sood;
- (b) pursuant to Section 85 of the Companies Act 2016 read together with Clause 66(i) of the Constitution of the Company, approval be and is hereby given for the waiver of the pre-emptive rights of the shareholders of the Company over any new Shares which may be allotted and/or issued and/or any grants or offers in respect of the same which may be made pursuant to or in respect of the Proposed LTIP to Vivek Sood, and that the Board be exempted, in respect of the Proposed LTIP, from any obligation to offer or make any grants in respect of such new Shares first to the existing members of the Company in proportion to their respective shareholdings in the Company; and
- (c) the Board be and is 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 this resolution and the matters and transactions contemplated under this resolution.

### ORDINARY RESOLUTION 3

#### PROPOSED AWARD OF UP TO 13,800,000 SHARES TO DR. SHRIDHIR SARIPUTTA HANSA WIJAYASURIYA PURSUANT TO THE PROPOSED LTIP

“**THAT**, subject to the passing of Ordinary Resolution 1 and subject to the approvals of all relevant authorities being obtained (where required):

- (a) approval be and is hereby given to the Board to, at any time and from time to time during the duration of the Proposed LTIP, subject always to such terms and conditions, and/or adjustments, which may be made in accordance with the provisions of the By-Laws, allot and issue up to an aggregate of 13,800,000 new Shares to be awarded, granted and/or vested to Dr. Shridhir Sariputta Hansa Wijayasuriya;
- (b) pursuant to Section 85 of the Companies Act 2016 read together with Clause 66(i) of the Constitution of the Company, approval be and is hereby given for the waiver of the pre-emptive rights of the shareholders of the Company over any new Shares which may be allotted and/or issued and/or any grants or offers in respect of the same which may be made pursuant to or in respect of the Proposed LTIP to Dr. Shridhir Sariputta Hansa Wijayasuriya, and that the Board be exempted, in respect of the Proposed LTIP, from any obligation to offer or make any grants in respect of such new Shares first to the existing members of the Company in proportion to their respective shareholdings in the Company; and
- (c) the Board be and is 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 this resolution and the matters and transactions contemplated under this resolution.”

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend, speak and vote at this EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 75 of the Company’s Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”) to issue a General Meeting Record of Depositors as at 12 September 2023. Only a depositor whose name appears in the General Meeting Record of Depositors as at 12 September 2023 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.

By Order of the Board

**Suryani Hussein** (LS0009277)  
Group Company Secretary  
Kuala Lumpur, Malaysia

4 September 2023

**Notes:**

**Virtual Meeting**

1. *The Broadcast Venue is strictly for the purpose of compliance with Section 327(2) of the Companies Act, 2016 and Clause 72(i) of the Company’s Constitution which stipulate that the Chairman of the meeting shall be present at the main venue of the EGM and in accordance with Clause 72(ii) of the Company’s Constitution which allows a meeting of members to be held at more than one venue, using any technology or method that enables the members to participate and exercise their right to speak and vote at the general meeting.*

2. *No shareholders from the public are permitted to be physically present nor to be admitted at the Broadcast Venue on the day of the EGM.*
3. *Shareholders and proxies will have to register to attend the EGM remotely by using the Remote Participation and Voting Facilities (“RPV”) according to the procedures as set out in the Administrative Notes.*
4. *Shareholders and proxies may raise questions before the EGM to the Chairman or Board via our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”)’s TIH Online website at <https://tiah.online> by selecting ‘e-Services’ to login and submit the questions electronically no later than Monday, 18 September 2023 at 2.30 p.m. The Chairman or Board will endeavour to address the questions received at the EGM.*
5. *Shareholders and proxies may also pose questions via real time submission of typed text at the EGM via Tricor’s TIH Online website at <https://tiah.online>, by selecting ‘e-Services’ to login and submit the questions electronically.*

#### **Proxy and/or Authorised Representative**

1. *A member entitled to attend and vote at the EGM is entitled to appoint a proxy without any restriction to the qualification of the proxy to attend and vote in his/her stead.*
2. *The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register and/or subject to Clause 41 of the Company’s Constitution in relation to the Record of Depositors made available to the Company.*
3. *A member entitled to attend and vote at the Meeting is not entitled to appoint more than two proxies to attend and vote on his/her behalf. Where a member appoints two proxies, the appointment shall be invalid unless the percentage of the shareholding to be represented by each proxy is specified.*
4. *Where a member is an authorised nominee as defined under the SICDA, it may appoint at least one proxy but not more than two proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*

*Every appointment submitted by an authorised nominee as defined under the SICDA, must specify the CDS Account Number.*

5. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in respect of each securities account (omnibus account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
6. *The instrument appointing a proxy shall:*
  - (a) *in the case of an individual, be signed by the appointer or by his/her attorney; or*
  - (b) *in the case of a corporation, be either under its common seal or signed by its attorney or an officer on behalf of the corporation.*

*If the instrument appointing a proxy is signed by an officer on behalf of the corporation, it should be accompanied by a statement reading “signed as authorised officer under an Authorisation Document, which is still in force, no notice of revocation has been received”. If the instrument appointing a proxy is signed by the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading “signed under a power of attorney, which is still in force, no notice of revocation has been received”.*

*Any alteration to the instrument appointing a proxy must be initialled.*

7. *In view that this is a virtual meeting, we strongly advise the members who are unable to attend, speak and vote at the EGM via the RPV to appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Proxy Form.*
  - (a) *Where a member of the Company is an authorised nominee as defined in the SICDA, the beneficial owner of the shares held by the authorised nominee may request the authorised nominee to appoint him/her as a proxy to attend, speak and vote remotely via the RPV at the EGM.*

- (b) *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), each beneficial owner of the shares or where the shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall be entitled to instruct the exempt authorised nominee to appoint the Chairman of the meeting to attend and vote remotely at the EGM via the RPV on his/her/their behalf.*
- (c) *Authorised nominees, Exempt Authorised Nominee and corporate members are to refer to the Administrative Notes of the EGM for further details.*
8. *A corporation which is a member, may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting, in accordance with Clause 101 of the Company's Constitution. Pursuant to Section 333(3) of the Companies Act, 2016, if the corporation authorises more than one person, each representative is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if each representative was an individual member of the Company. However, if more than one of the representatives do not purport to exercise the power in the same way, the power is treated as not exercised.*
9. *The instrument appointing a proxy together with the duly registered power of attorney referred to in Note 6 above, if any, must be deposited at the office of 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 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 Monday, 18 September 2023 at 2.30 p.m. The proxy appointment may also be lodged electronically via Tricor's TIIH Online website at <https://tiih.online> no later than Monday, 18 September 2023 at 2.30 p.m. For further information on the electronic lodgement of Proxy Form, kindly refer to the Administrative Notes of the EGM.*
10. *Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of EGM will be put to vote on poll.*



**axiata**

AXIATA GROUP BERHAD  
Company No.: 199201010685 (242188-H)

# PROXY FORM

(Before completing the form, please refer to the notes overleaf)

**“A” I/We,** \_\_\_\_\_  
(NAME AS PER NRIC/CERTIFICATE OF INCORPORATION IN CAPITAL LETTERS)

with (NEW NRIC NO.) \_\_\_\_\_ (OLD NRIC NO.) \_\_\_\_\_ (COMPANY NO.) \_\_\_\_\_

of \_\_\_\_\_  
(FULL ADDRESS)

\_\_\_\_\_ (TELEPHONE/MOBILE NO.) \_\_\_\_\_

being a member/members of **AXIATA GROUP BERHAD** hereby appoint \_\_\_\_\_  
(NAME AS PER NRIC IN CAPITAL LETTERS)

with (NEW NRIC NO.) \_\_\_\_\_ (OLD NRIC NO.) \_\_\_\_\_

of \_\_\_\_\_  
(FULL ADDRESS)

or failing him/her, the Chairman of the Meeting\*, as my/our **first** proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting (“EGM”) of **AXIATA GROUP BERHAD** to be held as virtual meeting conducted entirely through live streaming and remote voting using the Remote Participation and Voting Facilities from the Broadcast Venue at Auditorium, Level 32, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia on Tuesday, 19 September 2023 at 2.30 p.m. or at any adjournment thereof.

**“B” If you wish to appoint a second proxy, please complete this section.**

I/We, \_\_\_\_\_  
(NAME AS PER NRIC/CERTIFICATE OF INCORPORATION IN CAPITAL LETTERS)

with (NEW NRIC NO.) \_\_\_\_\_ (OLD NRIC NO.) \_\_\_\_\_ (COMPANY NO.) \_\_\_\_\_

of \_\_\_\_\_  
(FULL ADDRESS)

\_\_\_\_\_ (TELEPHONE/MOBILE NO.) \_\_\_\_\_

being a member/members of **AXIATA GROUP BERHAD** hereby appoint \_\_\_\_\_  
(NAME AS PER NRIC IN CAPITAL LETTERS)

with (NEW NRIC NO.) \_\_\_\_\_ (OLD NRIC NO.) \_\_\_\_\_

of \_\_\_\_\_  
(FULL ADDRESS)

or failing him/her, the Chairman of the Meeting\*, as my/our **second** proxy to vote for me/us on my/our behalf at the EGM of **AXIATA GROUP BERHAD** to be held as virtual meeting conducted entirely through live streaming and remote voting using the Remote Participation and Voting Facilities from the Broadcast Venue at Auditorium, Level 32, Axiata Tower, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia on Tuesday, 19 September 2023 at 2.30 p.m. or at any adjournment thereof.

**Note:**

\* Strike out if inapplicable

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:-	
	Percentage (%)
Proxy* “A”	
Proxy* “B”	
<b>TOTAL</b>	100%

\* Please fill in the proportion of the holding to be presented by each proxy





*If the instrument appointing a proxy is signed by an officer on behalf of the corporation, it should be accompanied by a statement reading "signed as authorised officer under an Authorisation Document, which is still in force, no notice of revocation has been received". If the instrument appointing a proxy is signed by the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading "signed under a power of attorney, which is still in force, no notice of revocation has been received".*

*Any alteration to the instrument appointing a proxy must be initialled.*

8. *In view that this is a virtual meeting, we strongly advise the members who are unable to attend, speak and vote remotely via the Remote Participation and Voting Facilities ("RPV") at the EGM to appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Proxy Form.*
  - (a) *Where a member of the Company is an authorised nominee as defined in the SICDA, the beneficial owner of the shares held by the authorised nominee may request the authorised nominee to appoint him/her as a proxy to attend, speak and vote remotely via the RPV at the EGM.*
  - (b) *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), each beneficial owner of the shares or where the shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall be entitled to instruct the exempt authorised nominee to appoint the Chairman of the meeting to attend and vote remotely via RPV at the EGM on his/her/their behalf.*
  - (c) *Authorised nominees, Exempt Authorised Nominees and corporate members shall refer to the Administrative Notes of the EGM for further details.*
9. *A corporation which is a member, may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting, in accordance with Clause 101 of the Company's Constitution. Pursuant to Section 333 (3) of the Companies Act, 2016, if the corporation authorises more than one person, each representative is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if each representative was an individual member of the Company. However, if more than one of the representatives do not purport to exercise the power in the same way, the power is treated as not exercised.*
10. *The instrument appointing a proxy together with the duly registered power of attorney referred to in Note 6 above, if any, must be deposited at the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (Tricor), Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or 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 Monday, 18 September 2023 at 2.30 p.m. The proxy appointment may also be lodged electronically via Tricor's TIH Online Website at <https://tiah.online> no later than Monday, 18 September 2023 at 2.30 p.m. For further information on the electronic lodgment of Proxy Form, kindly refer to the Administrative Notes of the EGM.*
11. *Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the EGM will be put to vote on poll.*

#### **Members Entitled to Attend, Speak and Vote**

12. *For purposes of determining a member who shall be entitled to attend, speak and vote at the EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Clause 75 of the Company's Constitution and Section 34(1) of the SICDA, to issue a General Meeting Record of Depositors as at 12 September 2023. Only a depositor whose name appears in the General Meeting Record of Depositors as at 12 September 2023 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) on his/her behalf.*





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AFFIX  
STAMP

**AXIATA GROUP BERHAD [Company No.: 199201010685 (242188-H)]**  
**c/o TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN**  
**BHD**  
Unit 32-01, Level 32  
Tower A, Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

1st fold here