

## **AXIATA GROUP BERHAD (“AXIATA” OR THE “COMPANY”)**

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

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#### **1. INTRODUCTION**

On behalf of the Board of Directors of Axiata (“**Board**”), AmInvestment Bank Berhad (“**AmInvestment Bank**”) wishes to announce that the Company proposes to establish a long-term incentive plan involving the issuance of new ordinary shares in Axiata (“**Axiata Shares**” or “**Shares**”) to the executive directors and employees of Axiata and its subsidiaries (excluding subsidiaries which are dormant) who fulfil the eligibility criteria as set out in Section 2.2.1 of this Announcement (“**Eligible Employees**”). 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 duration of the Proposed LTIP.

Axiata 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 Announcement. Given that 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. In this regard, the Proposed LTIP is intended to allow Axiata to continue incentivising its employees.

Further details on the Proposed LTIP are set out in the ensuing sections of this Announcement.

#### **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 performance and performance of Axiata and its subsidiaries (“**Axiata Group**” or “**Group**”), 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 Axiata’s key management personnel to ensure that their interests are aligned with the shareholders of the Company. Further, 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 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 award (“**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 the Board from time to time, at the 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 an Eligible Employee (“**Grantee**”), the grants are expected to vest to the Grantees over the duration of the Proposed LTIP as may be determined by the Board Nomination and Remuneration Committee of the Company (“**BNRC**”) in accordance with the provisions of the by-laws governing the Proposed LTIP (“**By-Laws**”), and on such terms and conditions as the 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 the Axiata 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 the Board or BNRC at its absolute discretion, as the case may be,

and in the case where the person is a director of Axiata, the person must be an executive director of Axiata. 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 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 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 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, the 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 the 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 the BNRC.

In the event the 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 the BNRC at its 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 (as defined herein) ("**Maximum Shares**").

In the event the Maximum Shares exceed the 3.0% limit as a result of the Company purchasing its own Shares in accordance with the provisions of the Companies Act 2016 ("**Act**") and/or reducing its issued share capital, all offers made and LTIP 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 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 the 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 date on which the Proposed LTIP takes effect, being the date upon which the Company has fully complied with the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**") in relation to the Proposed LTIP ("**LTIP Period**"). 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 the 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 the Board at its 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, the Company may terminate the Proposed LTIP at any time during the LTIP Period as the Company deems appropriate.

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

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 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 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 Section, the 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 an LTIP Award, the Grantee's entitlement shall be rounded down to the nearest whole number.

Unless otherwise determined by the 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 the 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 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 of the By-Laws), and subject to any applicable law.

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

An application will be made to 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.

### **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 the Malaysian Financial Reporting Standards 2 on Share-based Payment as issued by the Malaysian Accounting Standards Board ("**MFRS 2**") charges as explained in Section 4.4 of this Announcement) are estimated to be approximately RM1.35 million.

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## 2.5 Details of the Existing LTIP

The Existing LTIP was established to incentivise the Eligible Employees, and serves to retain, motivate and reward the Eligible Employees through share awards as determined by the 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 the 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.

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

Pursuant to the Existing LTIP, the 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 7 August 2023, being the latest practicable date prior to the date of this Announcement (“**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 the 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 the 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 the Company's performance and to reward them accordingly;
- (b) retain and motivate Eligible Employees whose services are important to the continued growth of the Group and to attract top executives with relevant and complementary skills to join the 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 the shareholders of the Company via the Proposed LIP which would encourage contributions towards long-term shareholder value enhancement, and in turn to ensure the continued success of the 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 the 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 Announcement, 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 the Company. However, the issued share capital of the 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.

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For illustration purposes only, assuming that the Maximum Shares is made available under the Proposed LTIP and are fully granted and vested by the issuance of new Axiata Shares to the Grantees, the pro forma effects of the Proposed LTIP on the 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
Add: Maximum Shares to be issued pursuant to the Proposed LTIP	9,178,952 <sup>(2)</sup> 275,369	13,920,284 <sup>(3)</sup> 726,973	9,185,355 <sup>(4)</sup> 275,561	13,944,589 <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 Announcement, 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.

## 4.2 Substantial shareholders' shareholdings

The Proposed LTIP will not have an immediate effect on the shareholdings of the substantial shareholders of Axiata. The dilution to the shareholdings of Axiata's 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 illustration purposes only, the pro forma effects of the Proposed LTIP on Axiata's substantial shareholders' shareholdings based on the register of substantial shareholders of the 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 ("Khazanah")	3,371,238,617	36.73	-	-	3,371,238,617	35.66	-	-
Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board ("EPF")	1,615,908,528	17.60	-	-	1,615,908,528	17.09	-	-
Amanahraya Trustees Berhad - Amanah Saham Bumiputera ("ASB")	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				Pro forma I				Pro forma II			
					After the vesting of all of the awards granted as at LPD under the Existing LTIP				After Pro forma I and the Proposed 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 Announcement, 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 Net assets (“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 the 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 Axiata 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 the Group’s consolidated NA per Share and consolidated gearing for the financial year ending 31 December 2023.

#### **4.4 Earnings and earnings per Share (“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 the 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 the 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, the Board has taken note of the potential effect of MFRS 2 on the Group’s earnings and will take reasonable measures to manage the effect on the consolidated EPS of the Group in the granting of the LTIP Awards to the Eligible Employees.

#### **4.5 Convertible securities**

As at LPD, the 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) the shareholders of the Company at an extraordinary general meeting (“**EGM**”) to be convened;
- (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; 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 the Company.

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

Vivek Sood, being the Group Chief Executive Officer and Managing Director of Axiata, and Dr. Shridhir Sariputta Hansa Wijayasuriya, being the Group Executive Director and Chief Executive Officer of Telecommunications Business of Axiata, are entitled to participate in the Proposed LTIP and are therefore deemed interested in the Proposed LTIP to the extent of their allocations under the Proposed LTIP i.e. up to 15,000,000 Axiata Shares and 13,800,000 Axiata Shares to Vivek Sood and Dr. Shridhir Sariputta Hansa Wijayasuriya respectively ("**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 the Company (if any) on the resolution pertaining to their respective allocation under the Proposed Award to be tabled at an EGM to be convened.

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 the Company on the resolution pertaining to their respective allocation under the Proposed Award to be tabled at an EGM to be convened.

The direct and indirect shareholdings of the Interested Directors in the 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	<sup>(1)</sup> 0.00	-	-
Dr. Shridhir Sariputta Hansa Wijayasuriya	<sup>(2)</sup> 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 the directors, major shareholders, chief executive of the Company and/or persons connected with them have any interest, direct and/or indirect, in the Proposed LTIP.

## 7. DIRECTORS' STATEMENT

The 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 the Company.

The 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 the Company.

**8. ADVISER**

AmlInvestment Bank has been appointed as the Principal Adviser to the Company for the Proposed LTIP.

**9. APPLICATION TO THE RELEVANT AUTHORITIES**

The application to the relevant authorities for the Proposed LTIP will be made within one (1) month from the date of this Announcement.

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

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

This Announcement is dated 21 August 2023.