



TELEKOM MALAYSIA BERHAD [128740-P]
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Thirty-first Annual General Meeting [31st AGM] of the Company will be held at Kristal Hall, TM Convention Centre, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia on **Thursday, 28 April 2016 at 10:00 a.m.** for the following purposes:

As Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2015 together with the Reports of the Directors and Auditors thereon.
Please refer to Explanatory Note A
- To re-elect Dato' Sri Dr Mohmad Isa Hussain, who retires pursuant to Article 98(2) of the Company's Articles of Association.
Please refer to Explanatory Note B **(Ordinary Resolution 1)**
- To re-elect the following Directors, who retire pursuant to Article 103 of the Company's Articles of Association:
(i) Datuk Bazlan Osman
(ii) Tunku Dato' Mahmood Fawzy Tunku Muhiyiddin
(iii) Davide Giacomo Federico Benello
Please refer to Explanatory Note C **(Ordinary Resolution 2)**
(Ordinary Resolution 3)
(Ordinary Resolution 4)
- To re-appoint Messrs PricewaterhouseCoopers (PwC), having consented to act as Auditors of the Company for the financial year ending 31 December 2016 and to authorise the Directors to fix their remuneration.
Please refer to Explanatory Note D **(Ordinary Resolution 5)**
- To approve the payment of the following Directors' fees with effect from the 31st AGM until the next Annual General Meeting of the Company:
(i) Director's fee of RM23,000.00 per month for the Non-Executive Chairman (NEC);
(ii) Director's fee of RM15,000.00 per month for each Non-Executive Director (NED); and
(iii) Director's fee of RM2,250.00 per month for Senior Independent Director (SID).
Please refer to Explanatory Note E **(Ordinary Resolution 6)**

As Special Business

- To consider and if thought fit, to pass the following Resolutions:
 - Authority to Issue and Allot Shares pursuant to Section 132D of the Companies Act, 1965 [CA 1965]
"THAT subject always to the CA 1965, the Articles of Association of the Company and the approvals of the relevant governmental and/or regulatory authorities, where such approval is necessary, authority be and is hereby given to the Directors to issue and allot shares in the capital of the Company pursuant to Section 132D of the CA 1965, to any person other than a Director or major shareholder of the Company or person connected with any Director or major shareholder of the Company, at any time until the conclusion of the next annual general meeting, in such number and to such person and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the issued and paid up share capital of the Company for the time being **AND THAT** the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued, **AND FURTHER THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next annual general meeting of the Company." **(Ordinary Resolution 7)**
 - Proposed Renewal of the Authority for Directors to Allot and Issue New Ordinary Shares of RM0.70 each in the Company [TM Shares] in relation to the Dividend Reinvestment Scheme [DRS]
"THAT pursuant to the DRS approved at the Extraordinary General Meeting held on 8 May 2014, approval be and is hereby given to the Company to allot and issue such number of new TM Shares for the DRS until the conclusion of the next annual general meeting, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new TM Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price (VWAMP) of TM Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price and not less than the par value of TM Shares at the material time; **AND THAT** the Directors and the Secretaries of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deemed fit and in the best interest of the Company." **(Ordinary Resolution 8)**
- To transact any other ordinary business for which due notice has been given in accordance with Section 151 of the CA 1965.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a Member who shall be entitled to attend, speak and vote at this 31st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd (Bursa Depository) in accordance with Article 74(3)(a) of the Company's Articles of Association (AA) and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA) to issue a General Meeting Record of Depositors (ROD) as at 20 April 2016. Only a depositor whose name appears on the Register of Member/ROD as at 20 April 2016 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

Idrus Ismail (LS0008400)
Hamizah Abidin (LS0007096)
Zaiton Ahmad (MAICSA 7011681)
Secretaries
Kuala Lumpur
4 April 2016

NOTES:

Proxy and/or Authorised Representatives

- A Member entitled to attend, speak and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy or representative may but need not be a Member of the Company. A Member may appoint any person to be his/her proxy without restriction to the proxy's qualification and the provisions of Section 149(1)(a) and (b) of the CA 1965 shall not apply to the Company.
- A Member shall not be entitled to appoint more than two (2) proxies to attend, speak and vote at the Meeting provided that where a Member of the Company is an authorised nominee as defined in accordance with the provisions of SICDA, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares in the Company standing to the credit of the said securities account. Where a Member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (omnibus account), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where a Member appoints two (2) proxies, the appointments shall be invalid unless the proportions of the holdings to be represented by each proxy are specified.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly appointed under a Power of Attorney or if such appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a Power of Attorney. If the proxy form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under an Authorisation Document which is still in force, and no notice of revocation has been received". If the proxy form is signed under the attorney duly appointed under a Power of Attorney, it should be accompanied by a statement reading "signed under a Power of Attorney which is still in force, and no notice of revocation has been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with the proxy form.
- A corporation which is a Member, may by resolution of its Directors or other governing body authorises such person as it thinks fit to act as its representative at the Meeting, in accordance with Article 92 of the Company's AA.
- The instrument appointing the proxy together with the duly registered Power of Attorney referred to in Note 4 above, if any, must be deposited at the office of the Share Registrar, Symphony Share Registrars Sdn Bhd [378993-D] at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor, Malaysia not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. The Share Registrar will also provide a box at the ground floor of its office building for drop-in of proxy forms.
- Explanatory Note A**
The audited financial statements are laid before the shareholders for discussion only as it does not require approval pursuant to Section 169(1) and (3) of the CA 1965. Hence, it will not be put forward for voting.
- Explanatory Notes B and C**
Dato' Sri Dr Mohmad Isa Hussain, Datuk Bazlan Osman, Tunku Dato' Mahmood Fawzy Tunku Muhiyiddin and Davide Giacomo Federico Benello are standing for re-elections as Directors of the Company and being eligible, have offered themselves for re-elections at this 31st AGM.
Datuk Bazlan Osman, being a director and shareholder of the Company will abstain from voting on the resolution in respect of his re-election at the 31st AGM of the Company.
Dato' Sri Dr Mohmad Isa has successfully completed his Mandatory Accreditation Program (MAP) pursuant to the provision of the Main Market Listing Requirements (Main LR) of Bursa Malaysia Securities Berhad (Bursa Securities).
The Board has conducted an assessment on the independence of the independent director who is seeking re-election at this 31st AGM of the Company and is satisfied that the incumbent has complied with the independence criteria applied by the Company.
As stated in the Statement Accompanying the Notice of the AGM, the profiles of the retiring Directors are set out in the profile of the Board of Directors on pages 78 to 81 inclusive, of the Annual Report. Details of the assessment of all directors standing for re-election are provided on pages 132 and 133 inclusive, of the Nomination and Remuneration Committee Report in the 2015 Annual Report.
- Retirement of Directors under Section 129(2) of the CA 1965**
Dato' Danapalan T.P Vinggrassalam and Dato' Ir Abdul Rahim Abu Bakar, who have attained the age of 73 years and 70 years respectively, have indicated in writing that they do not wish to seek re-appointments pursuant to Section 129(6) of the CA 1965. Hence, they will retire upon the conclusion of the 31st AGM in accordance with Section 129(2) of the CA 1965.
- Explanatory Note D**
The Board Audit Committee and the Board have considered the re-appointment of PwC as Auditors of the Company and collectively agreed that PwC has met the relevant criteria prescribed by Paragraph 15.21 of the Main LR of Bursa Securities.
- Explanatory Note E**
The shareholders, at the 28th AGM of the Company held on 7 May 2013, has approved the Directors' fee of RM276,000 per annum for the NEC, RM180,000 per annum for the NED, and SID's fee of RM27,000 per annum effective from 1 January 2012. There is no proposed revision to the existing Directors' fees and the resolution for payment of fees from the date of the 31st AGM until the conclusion of the next AGM are tabled herewith in the interests of good corporate governance, ensuring full disclosure and for administrative efficiency. Details of the fees and remuneration paid to the Directors for the financial year ended 31 December 2015 are enumerated on page 108 of the Statement on Corporate Governance in the 2015 Annual Report.

EXPLANATORY NOTES ON SPECIAL BUSINESS

- The Company has not issued any new shares under the general mandate for issuance and allotment of shares up to 10% of the issued and paid-up capital of the Company, which was approved at the 30th AGM held on 30 April 2015. This mandate shall lapse at the conclusion of the 31st AGM to be held on 28 April 2016.
The proposed Ordinary Resolution 7 is a renewal of the general mandate pursuant to Section 132D of CA 1965 obtained from the shareholders of the Company at the previous AGM. The renewal is sought from shareholders for Directors to issue and allot new shares in the Company of up to an amount not exceeding 10% of the issued and paid up share capital of the Company for such purposes as the directors may deem fit in the best interest of the Company including for any possible fund raising activities for the Company's working capital requirements and strategic investments.
This resolution if approved, will give the Company and its Directors the mandate and flexibility to issue and allot new shares in the Company for possible fund raising activities without the need to seek shareholders' approval via a general meeting subsequent to this 31st AGM, which may delay the capital raising initiatives and incur relevant cost in organising the general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will be valid until the next AGM of the Company.
- The proposed Ordinary Resolution 8 is for the proposed renewal of the authority for Directors to allot and issue new ordinary shares of RM0.70 each in the Company in respect of dividends to be declared, if any, under the DRS, until the conclusion of the next AGM.