



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF AXIATA GROUP BERHAD (“AXIATA” OR “COMPANY”) WILL BE HELD AT THE GRAND BALLROOM, 1ST FLOOR, SIME DARBY CONVENTION CENTRE, 1A JALAN BUKIT KIARA 1, 60000 KUALA LUMPUR, MALAYSIA ON FRIDAY, 26 MAY 2017 AT 3.00 P.M. FOR THE FOLLOWING PURPOSES:

AS ORDINARY BUSINESS:-

1. To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Report of the Directors and the Auditors thereon.
2. To approve a final tax exempt dividend under single tier system of 3 sen per ordinary share for the financial year ended 31 December 2016. **(Ordinary Resolution 1)**
3. To re-elect the following Directors, each of whom retires by rotation pursuant to Article 93 of the Articles of Association of the Company (“Articles”) and being eligible, offers himself for re-election:-
 - i) Dr Muhamad Chatib Basri **(Ordinary Resolution 2)**
 - ii) Kenneth Shen **(Ordinary Resolution 3)**
4. To re-elect the following Directors, each of whom retires pursuant to Article 99 (ii) of the Articles and being eligible, offers himself/herself for re-election:-
 - i) Dato’ Mohd Izzaddin Idris **(Ordinary Resolution 4)**
 - ii) Dato Dr Nik Ramlah Nik Mahmood **(Ordinary Resolution 5)**
5. To re-appoint the following Directors:-
 - i) Tan Sri Ghazzali Sheikh Abdul Khalid **(Ordinary Resolution 6)**
 - ii) Datuk Azzat Kamaludin **(Ordinary Resolution 7)**
6. To approve the following payment by the Company:-
 - a) Directors’ fees with effect from the 25th Annual General Meeting until the next Annual General Meeting:-

	Non-Executive Chairman (“NEC”) / per month (RM)	Non-Executive Director (“NED”) / per month (RM)
i) Directors’ fees	30,000.00	20,000.00
ii) Directors’ fees of the Board Audit Committee	4,000.00	2,000.00
iii) Directors’ fees of the Board Nomination Committee	1,200.00	800.00
iv) Directors’ fees of the Board Remuneration Committee	1,200.00	800.00

(each of the foregoing payments being exclusive of the others).

- b) Benefits payable to NEC and NEDs from 31 January 2017 until the next Annual General Meeting. **(Ordinary Resolution 8)**
7. To approve the payment of fees and benefits payable by the subsidiaries to the NEDs of the Company from 31 January 2017 until the next Annual General Meeting. **(Ordinary Resolution 9)**
8. To re-appoint Messrs PricewaterhouseCoopers having consented to act as the Auditors of the Company for the financial year ending 31 December 2017 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 10)**

AS SPECIAL BUSINESS:-

9. To consider and, if thought fit, to pass the following Ordinary Resolutions:-

a) To approve the following Directors, each of whom has served as an Independent Non-Executive Director for a cumulative term of more than nine years, to continue to act as Independent Non-Executive Directors:-

i) Tan Sri Ghazzali Sheikh Abdul Khalid

(Ordinary Resolution 11)

ii) Datuk Azzat Kamaludin

(Ordinary Resolution 12)

iii) David Lau Nai Pek

(Ordinary Resolution 13)

10. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"**THAT**, in accordance with paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) (Main LR), approval be and is hereby given for Axiata and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, as set out in 'Appendix I' of the Circular to Shareholders dated 27 April 2017 (Circular) despatched together with the 2016 Annual Report, which are necessary for the day-to-day operations in the ordinary course of the business of Axiata and/or its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of Axiata;

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

- i) The conclusion of the next Annual General Meeting at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;
- ii) The expiration of the period within which the next Annual General Meeting is required to be held under Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- iii) Revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier;

AND THAT the Directors be and are hereby authorised to complete and do all such acts, deeds and things (including without limitation, to execute such documents under the common seal in accordance with the provisions of the Articles, as may be required) to give effect to the aforesaid shareholders' mandate and transactions contemplated under this resolution."
(Ordinary Resolution 14)

11. PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES IN THE COMPANY (AXIATA SHARES) IN RELATION TO THE DIVIDEND REINVESTMENT SCHEME THAT PROVIDES THE SHAREHOLDERS OF THE COMPANY THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND ENTITLEMENTS IN NEW AXIATA SHARES (DRS)

"**THAT** pursuant to the DRS approved by the shareholders at the Annual General Meeting held on 28 May 2014 and subject to the approval of the relevant authority (if any), approval be and is hereby given to the Company to allot and issue such number of new Axiata Shares pursuant to 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 Axiata Shares shall be fixed by the Directors at not more than 10% discount to the adjusted 5-day volume weighted average market price (VWAMP) of Axiata 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 THAT the Directors and the Secretary 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, deem fit and in the best interest of the Company."

(Ordinary Resolution 15)



12. **AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR DIRECTORS TO ALLOT AND ISSUE SHARES**

“**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016, full authority be and is hereby given to the Directors of the Company to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting, and upon such terms and conditions, and for such purposes, as the Directors may, in their absolute discretion, deem fit including in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force and the Directors be and are hereby further authorised to make or grant offers, agreements or options in respect of the shares of the Company including those which would or might require shares in the Company to be issued after the expiration of the approval hereof, provided that the aggregate number of shares to be issued does not exceed 10% of the issued shares of the Company for the time being and that the Directors be and are hereby empowered to obtain the approval for the listing and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad, subject always to the Companies Act 2016, the Main LR and the approvals of all relevant regulatory authorities, if required, being obtained.”

(Ordinary Resolution 16)

13. To transact any other ordinary business for which due notice has been given in accordance with the Articles and the Companies Act 2016.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a Member who shall be entitled to attend, speak and vote at this 25th Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd (Bursa Depository) in accordance with Article 66 of the Articles and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA) to issue a General Meeting Record of Depositors as at 17 May 2017. Only a depositor whose name appears in the General Meeting Record of Depositors as at 17 May 2017 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

27 April 2017

NOTES:

Proxy and/or Authorised Representative

1. A Member entitled to attend and vote at the above Meeting 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 Article 34A of the Articles in relation to the Record of Depositors made available to the Company.
3. A Member entitled to attend and vote at the Meeting is entitled to appoint not 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".

7. A corporation which is a Member, may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the Meeting, in accordance with Article 89 of the Articles. Pursuant to Section 333 (3) of the Companies Act 2016, if the corporation authorizes more than one person, every one of the representative is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if every one of the 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.
8. The instrument appointing the 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, 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 25 May 2017 at 3.00 p.m.
9. Pursuant to Paragraph 8.29 of the Main LR, all resolutions set out in the Notice of AGM will be put to vote on poll.

Audited Financial Statements

10. The Audited Financial Statements for financial year ended 31 December 2016 (FY16) under Agenda 1 are laid before the shareholders pursuant to the provisions of Section 340(1) of the Companies Act 2016 for discussion only and will not be put forward for voting.

Final Dividend of 3 sen per Ordinary Share

11. Axiata's existing dividend policy provides that the Company intends to pay dividends of at least 30% of its consolidated PATAMI and endeavours to progressively increase the payout ratio over a period of time, subject to a number of factors including business prospects, capital requirements and surplus, growth/expansion strategy, considerations for non-recurring items and other factors considered relevant by the Board.

As Axiata is a holding company, its income and therefore its ability to pay dividends, is dependent upon the dividends received from its subsidiaries, which in turn would depend on the subsidiaries' distributable profits, operating results, financial condition, capital expenditure plans and other factors that the respective subsidiary Board deems relevant.

On 22 February 2017, for both prudent and strategic reasons, the Board recommended a conservative Final Dividend of 3 sen, implying a total dividend payout ratio of 50% (based on FY16 normalised PATAMI of RM1,418.3 million (including the interim dividend of 5 sen per Axiata Share paid last year on 7 November 2016). The total dividend of 8 sen for the FY16 would tantamount to a total payout of approximately RM715.5 million with a dividend yield of 1.7% (based on a 3-month VWAP). The Final Dividend is subject to the approval of the shareholders at this Annual General

Meeting. In accordance with Section 131 of the Companies Act 2016, a company may only make a distribution to the shareholders out of profits of the company available, if it is solvent. In declaring the Final Dividend, the Board as required under Section 132(2) and (3) of the Companies Act 2016, had considered the amount of dividend and is satisfied that the Company will be solvent immediately after the distribution is made and within 12 months immediately after the distribution.

Pursuant to paragraph 8.26 of the of the Main LR, the Final Dividend, if approved, shall be paid no later than three months from the date of the shareholders' approval. The Book Closure Date will be announced after the AGM.

Re-election of Directors who retire pursuant to Articles 93 and 99 (ii)

12. Article 93 provides that one-third of the Directors of the Company for the time being shall retire by rotation at an Annual General Meeting of the Company. All the Directors shall retire from office once at least in each three years but shall be eligible for re-election. Dr Muhamad Chatib Basri and Kenneth Shen are standing for re-election as Directors and being eligible, have offered themselves for re-election. Dr Muhamad Chatib Basri, who is Independent Non-Executive Director (INED), has reaffirmed his independence based on independence criteria applied by the Company which is also used in the yearly assessment of INEDs independence and fulfilled the independence definitions as prescribed under the Main LR.

Article 99 (ii) provides that any Director appointed during the year shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election. Dato' Mohd Izzaddin Idris and Dato Dr Nik Ramlah Nik Mahmood who were appointed on 24 November 2016 and 21 March 2017 respectively are standing for re-election as Director and being eligible, have offered themselves for re-election.

Re-appointment of Directors

13. Tan Sri Ghazzali Sheikh Abdul Khalid and Datuk Azzat Kamaludin, both of whom are above the age of 70, were re-appointed pursuant to Section 129 of the Companies Act 1965 at the 24th Annual General Meeting held on 25 May 2016 to hold office until the conclusion of the next Annual General Meeting. Their term of office, therefore will end at the conclusion of this Annual General Meeting.

With the coming into force of the Companies Act 2016 on 31 January 2017, which repealed Section 129 of the Companies Act 1965, there is no age limit for directors. These Ordinary Resolutions 6 and 7, if passed, will approve and authorise the continuation of the Directors in office from the date of this Annual General Meeting and they shall be thereafter subject to retirement by rotation.

The Board has recommended the re-election and re-appointment of the abovementioned Directors. Details of the assessment of the Directors seeking re-election and re-appointment, save for Dato' Mohd Izzaddin Idris and Dato Dr Nik Ramlah Nik Mahmood, are provided in the Statement on Corporate Governance on page 82 of the 2016 Annual Report. Their profiles are set out in the Profile of Directors' section of the 2016 Annual Report from pages 55 to 59.

Directors' Fees and Benefits Payable by the Company

14. a) Article 106 (i) provides that the fees payable to the Directors shall from time to time be determined by an ordinary resolution of the Company in general meeting. Such fees cannot be increased except pursuant to an ordinary resolution passed at the Company's general meeting. Therefore, shareholders' approval is required for the payment of Directors' fees.

Shareholders' approval on the Directors' fees for Board and Board Committees was obtained at the 24th Annual General Meeting held on 25 May 2016 and there is no revision to any of the fees. Details of Directors' fees paid to NEDs are set-out on page 86 of the 2016 Annual Report.

- b) Approval of the shareholders is sought pursuant to Section 230(1) of the Companies Act 2016, which came into force on 31 January 2017, stipulating amongst others, that the fees and benefits payable to the directors of a listed company shall be approved at a general meeting. The benefits payable to the NEDs shall comprise the following:-

- i) Meeting Allowance

Board/Board Committees	Meeting Allowance (RM)	
	NEC	NED
Board of Directors	3,000.00	2,000.00
Board Audit Committee	3,000.00	2,000.00
Board Nomination Committee	1,500.00	1,000.00
Board Remuneration Committee	1,500.00	1,000.00
Other Board Committees	1,500.00	1,000.00

For reference and estimate, the amount of Meeting Allowances paid to NEDs of Axiata for Board and Board Committee meetings held in FY16 are disclosed on page 86 of the 2016 Annual Report.

- ii) Benefits such as annual overseas business development trips, leave passage, travel allowance, travel allowance for non-resident NEDs, equipment, telecommunication facilities, insurance and medical.

Directors' Fees and Benefits Payable by the Subsidiaries

15. Approval of the shareholders is sought to comply with the provisions of Section 230(1) of the Companies Act 2016, which came into force on 31 January 2017, stipulating amongst others, that the fees and benefits payable to the directors of a listed company by the subsidiaries shall be approved at a general meeting. Ultimately, any decision in respect of the Directors' remuneration of the following subsidiaries will be made by the shareholders of these companies in accordance with the laws applicable in their respective jurisdiction.

- i) Fees and Meeting Allowance

Company	Designation	Monthly Fees (MYR unless indicated otherwise)	Meeting Attendance per Meeting (MYR unless indicated otherwise)				
			Board of Directors	BAC	BNC/BRC	Executive Committee	Other Board Committees
Celcom	NEC	12,000.00	2,000.00	2,000.00	1,000.00	-	750.00
	NED	8,000.00	1,500.00	1,500.00	750.00	-	500.00
XL	President	IDR100M	IDR5M	-	-	-	-
	BOC, Member	IDR70-100M	IDR5M	-	-	-	-
	BAC, Member	IDR60M	-	-	-	-	-
Dialog	NEC	USD975.00	USD975.00 (AGM: USD650.00)	USD975.00	USD490.00 (BNC & BRC)	USD490.00	USD390.00
	NED	USD750.00	USD750.00 (AGM: USD500.00)	USD750.00	USD375.00 (BNC & BRC)	USD375.00	USD300.00
Robi	NEC	USD2,500.00	USD300.00	USD300.00	USD150.00 (BRC Only)	-	-
	NED	USD2,000.00	USD200.00	USD200.00	USD100.00 (BRC Only)	-	-
Ncell	NEC	USD2,500.00	USD300.00	USD300.00	USD150.00 (BRC Only)	-	-
	NED	USD2,000.00	USD200.00	USD200.00	USD100.00 (BRC Only)	-	-
edotco	NED	8,000.00	1,000.00	1,000.00	750.00	-	350.00
	NEC	6,000.00	700.00	700.00	500.00	-	250.00
Smart	NEC	USD1,200.00	USD300.00	USD300.00	USD150.00	-	-
	NED	USD1,200.00	USD300.00	USD300.00	USD150.00	-	-
Axiata Digital Advisory Board	NED	-	5,000.00	-	-	-	-

- ii) Other customary benefits not available and/or provided by Axiata prevalent in these respective jurisdiction.

Notes:-

For reference on the directorship of Axiata NEDs on the Board of subsidiaries and amount paid for the FY16 which provides an estimate, please refer to page 86 of the 2016 Annual Report. There has been no change in directorship of Axiata NEDs on these subsidiaries as at the date of this notice.

Payment of fees and benefits in note 14 and 15 will be made by the Company and the respective subsidiary on a monthly basis and/or as and when incurred.

Re-appointment of Auditors

16. The Board Audit Committee (BAC) and the Board had, at its meeting held on 22 February 2017 considered the re-appointment of Messrs PricewaterhouseCoopers (PWC) as Auditors of the Company and collectively agreed that PWC meets the criteria of the adequacy of experience and resources of the firm and the person assigned to the audit as prescribed under Paragraph 15.21 of the Main LR.



EXPLANATORY NOTES - SPECIAL BUSINESS

Approval for Directors to Continue as Independent Non-Executive Directors

Tan Sri Ghazzali Sheikh Abdul Khalid, Datuk Azzat Kamaludin and David Lau Nai Pek have reached cumulative 9-year independence limit in 2017. In accordance with the Malaysian Code on Corporate Governance 2012, the Board through the BNC has undertaken an assessment on the abovementioned INEDs and has recommended for these Directors to continue to serve as Independent Directors. Details of their assessment are provided on page 82 of the 2016 Annual Report.

Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolution 14, if approved, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and are on terms not more favourable to the related parties than those generally available to the public and shall lapse at the conclusion of the next Annual General Meeting unless authority for its renewal is obtained from shareholders of the Company at such general meeting. Detailed information on the Proposed Shareholders' Mandate is set out in the Circular which is despatched together with the 2016 Annual Report.

Proposed Renewal of Authority for Directors to Allot and Issue New Axiata Shares In relation to DRS

The shareholders had, at the 24th Annual General Meeting held on 25 May 2016, approved the renewal of the authority for the Directors to allot and issue new Axiata Shares in relation to DRS and such authority will expire at the conclusion of this Annual General Meeting. The DRS provided shareholders with the opportunity to reinvest the whole or part of cash dividends in new Axiata Shares in lieu of receiving cash subject to the determination by the Directors, shareholders may be offered an option to reinvest such dividends in new Axiata Shares and where applicable, the portion of such dividends to which the option to reinvest applies. Axiata had on 23 February 2017 announced to Bursa Securities on the decision of the Board for the shareholders to be given an option to elect to reinvest the whole or part of the proposed final dividend of 3 sen per Axiata Share for the FY16 (Final Dividend) into new Axiata Shares in accordance with the DRS. This proposed Ordinary Resolution 15, if approved, will renew the Directors' authority to issue new Axiata Shares in respect of the above Final Dividend and subsequent dividends to be declared, if any, under the DRS, until the conclusion of the next Annual General Meeting. A renewal of this authority will be sought at subsequent Annual General Meeting.

Authority under Sections 75 and 76 of the Companies Act 2016 for Directors to Allot and Issue New Axiata Shares

The Company has not issued any new shares under the general mandate for allotment and issuance of shares up to 10% of the issued shares of the Company, which was approved at the 24th Annual General Meeting held on 25 May 2016 and which shall lapse at the conclusion of the 25th Annual General Meeting to be held on 26 May 2017. The proposed Ordinary Resolution 16 is a general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 obtained from the shareholders of the Company at the Annual General Meeting and this resolution, if approved, will give the Directors the mandate to allot and issue new shares in the Company or to make or grant offers, agreements or options in respect of such shares to such persons, in their absolute discretion including to make or grant offers, agreements or options which would or might require share in the Company to be issued after the expiration of the approval and flexibility to the Company in respect of any possible fund raising activities without having to seek shareholders' approval via a general meeting subsequent to this 25th Annual General Meeting, provided the aggregate number of shares issued does not exceed 10% of the total number of issued shares of the Company for the time being. The general mandate, unless revoked or varied by the Company at a general meeting, will be valid until the next Annual General Meeting of the Company. The rationale is to avoid delay in the capital raising initiatives including placement of shares for the purpose of funding current and/or future current and/or future investment project, working capital and/or acquisitions as well as in the event of any strategic opportunities involving equity deals which may require the Company to allot and issue new shares on urgent basis and thereby reducing administrative time and relevant cost associated with convening additional general meeting(s). In any event, the exercise of this mandate is only to be undertaken if the Board considers it to be in the best interest of the Company.