

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** THE TWENTY-THIRD ANNUAL GENERAL MEETING OF AXIATA GROUP BERHAD (“AXIATA” OR “THE COMPANY”) WILL BE HELD AT NEXUS BALLROOM 2 & 3, LEVEL 3A, CONNEXION@NEXUS, NO. 7 JALAN KERINCHI, BANGSAR SOUTH CITY, 59200 KUALA LUMPUR, MALAYSIA ON WEDNESDAY, 20 MAY 2015 AT 10.00 A.M. FOR THE FOLLOWING PURPOSES:-

## **AS ORDINARY BUSINESS:-**

1. To receive the Audited Financial Statements for the financial year ended 31 December 2014 together with the Report of the Directors and the Auditors thereon. **(Ordinary Resolution 1)**
2. To declare a final tax exempt dividend under single tier system of 14 sen per ordinary share for the financial year ended 31 December 2014. **(Ordinary Resolution 2)**
3. To re-elect Tan Sri Dato’ Azman Hj Mokhtar who retires by rotation pursuant to Article 93 of the Company’s Articles of Association and being eligible, offers himself for re-election. **(Ordinary Resolution 3)**
4. To re-elect David Lau Nai Pek who retires by rotation pursuant to Article 93 of the Company’s Articles of Association and being eligible, offers himself for re-election. **(Ordinary Resolution 4)**
5. To re-elect Dato’ Abdul Rahman Ahmad who retires by rotation pursuant to Article 93 of the Company’s Articles of Association and being eligible, offers himself for re-election. **(Ordinary Resolution 5)**
6. To re-elect Dr Muhamad Chatib Basri who was appointed to the Board during the year and retires pursuant to Article 99(ii) of the Company’s Articles of Association and being eligible, offers himself for re-election. **(Ordinary Resolution 6)**
7. To approve the payment of the following Directors’ fees with effect from the 23rd Annual General Meeting until the next Annual General Meeting of the Company:-
  - i) Directors’ fees of RM30,000.00 per month for the Non-Executive Chairman (NEC) and RM20,000.00 per month for each Non-Executive Director (NED);
  - ii) Directors’ fees of RM4,000.00 per month for the NEC and RM2,000.00 per month for each of the NEDs who are members of the Board Audit Committee;
  - iii) Directors’ fees of RM1,200.00 per month for the NEC and RM800.00 per month for each of the NEDs who are members of the Board Nomination Committee; and
  - iv) Directors’ fees of RM1,200.00 per month for the NEC and RM800.00 per month for each of the NEDs who are members of the Board Remuneration Committee;

(each of the foregoing payments being exclusive of the others). **(Ordinary Resolution 7)**
8. To re-appoint Messrs PricewaterhouseCoopers having consented to act as the Auditors of the Company for the financial year ending 31 December 2015 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 8)**

## **AS SPECIAL BUSINESS:-**

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

### **9. 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 28 April 2015 (Circular) despatched together with the Company's 2014 Annual Report, which are necessary for the day-to-day operations in the ordinary course of the business of the Company 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 the Company;

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

- i) the conclusion of the next Annual General Meeting of the Company 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 Company's next Annual General Meeting is required to be held under Section 143(1) of the Companies Act, 1965 (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or
- iii) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is earlier;

**AND THAT** the Directors of the Company 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 of Association of the Company, as may be required) to give effect to the aforesaid shareholders' mandate and transactions contemplated under this resolution." **(Ordinary Resolution 9)**

### **10. PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES OF RM1.00 EACH 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 not less than the par value of Axiata Shares at the material time;

**AND THAT** the Directors and the Secretary 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, deem fit and in the best interest of the Company." **(Ordinary Resolution 10)**

# Notice of Annual General Meeting

11. **AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR DIRECTORS TO ALLOT AND ISSUE SHARES IN THE COMPANY**

“**THAT** pursuant to Section 132D of the Companies Act, 1965, 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, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being, subject always to the approval of all relevant regulatory authorities, if required, being obtained for such allotment and issue.” **(Ordinary Resolution 11)**

12. To transact any other ordinary business for which due notice has been given in accordance with Section 151 of the Companies Act, 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 23rd Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd (Bursa Depository) in accordance with Article 66 of the Company’s Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA) to issue a General Meeting Record of Depositors as at 11 May 2015. Only a depositor whose name appears in the General Meeting Record of Depositors as at 11 May 2015 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  
28 April 2015

## 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. A proxy need not be a Member of the Company and the restrictions provided in Section 149(1) (a), (b), (c) and (d) of the Companies Act, 1965 shall not apply to the Company.
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 Company's Articles of Association 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 (2) proxies to attend and vote on his/her behalf. Where a Member appoints two (2) 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 (1) proxy but not more than two (2) 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 Nominees 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 Company's Articles of Association.
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 Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time appointed for holding of the Meeting or at any adjournment thereof.

### Audited Financial Statements for financial year ended 31 December 2014

9. The Audited Financial Statements under Agenda 1 are laid before the shareholders pursuant to the provisions of Section 169(1) and (3) of the Companies Act, 1965. The same is for discussion and tabled for voting as a formality.

### Final Dividend of 14 sen per ordinary share for the financial year ended 31 December 2014

10. On 24 February 2015, the Board declared a Final Dividend of 14 sen, implying a total dividend payout ratio of 84% (based on a 6-month volume-weighted average price (VWAP) of RM7.05 including the interim dividend of 8 sen per Axiata Share paid last year on 24 October 2014). The total dividend of 22 sen for the financial year ended 31 December 2014 would tantamount to a cash outflow of approximately RM1.89 billion with a dividend yield of 3.1% (based on a 6-month VWAP). The Final Dividend is subject to the approval of the shareholders at this Annual General Meeting.

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

11. Article 93 of the Company's Articles of Association provides that one-third (1/3) 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 (3) years but shall be eligible for re-election. Tan Sri Dato' Azman Hj Mokhtar, David Lau Nai Pek and Dato' Abdul Rahman Ahmad are standing for re-election as Directors and being eligible, have offered themselves for re-election.

Both David Lau Nai Pek and Dato' Abdul Rahman Ahmad, who are Independent Non-Executive Directors (INED), have reaffirmed their independence based on independence criteria applied by the Company which is also used in the yearly assessment of INEDs independence.

# Notice of Annual General Meeting

Article 99(ii) of the Company's Articles of Association 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. Dr Muhamad Chatib Basri who was appointed on 25 February 2015 is standing for re-election as Director and being eligible, has offered himself for re-election.

The Board has recommended the re-election of the above mentioned Directors. As stated in the Statement Accompanying Notice of 23rd Annual General Meeting, profiles of the retiring Directors are set out in the Profile of Directors' section of the Company's 2014 Annual Report from pages 022 to 027.

## Payment of Directors' fees

12. Article 106(i) of the Company's Articles of Association 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 22nd Annual General Meeting held on 28 May 2014 and there is no revision to any of the fees.

Details of Directors' fees and Meeting Allowance to Non-Executive Directors are set-out on page 146 of this Annual Report.

## Appointment of Auditors

13. The Board Audit Committee (BAC) has considered the re-appointment of Messrs PricewaterhouseCoopers as Auditors of the Company based on the criteria prescribed under Paragraph 15.21 of the Main LR. Both the BAC and the Board have recommended the re-appointment of Messrs PricewaterhouseCoopers as Auditors of the Company.

## EXPLANATORY NOTES ON SPECIAL BUSINESS

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

The proposed Ordinary Resolution 9, 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 Company's 2014 Annual Report.

### II. PROPOSED RENEWAL OF THE AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW AXIATA SHARES IN RELATION TO THE DRS

The shareholders had, at the 22nd Annual General Meeting held on 28 May 2014, approved the DRS providing shareholders with the opportunity to reinvest their 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.

CIMB Investment Bank Berhad had, on 20 March 2015, for and on behalf of Axiata, announced to Bursa Malaysia Securities Berhad 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 14 sen per Axiata Share for the financial year ended 31 December 2014 (Final Dividend) into new Axiata Shares in accordance with the DRS.

This proposed Ordinary Resolution 10, if approved, will give authority to the Directors 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.

### III. AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR DIRECTORS TO ALLOT AND ISSUE SHARES IN THE COMPANY

The Company has not issued any new shares under the general mandate for allotment and issuance of shares up to 10% of the issued and paid-up capital of the Company, which was approved at the 22nd Annual General Meeting held on 28 May 2014 and which shall lapse at the conclusion of the 23rd Annual General Meeting to be held on 20 May 2015.

The proposed Ordinary Resolution 11 is a renewal of the general mandate pursuant to Section 132D of the Companies Act, 1965 obtained from the shareholders of the Company at the previous Annual General Meeting.

This resolution, if approved, will give the Directors the mandate to allot and issue new shares in the Company (not exceeding 10% of the issued and paid-up share capital of the Company) and flexibility to the Company in respect of any possible fund raising activities by not having to seek shareholders' approval via a general meeting subsequent to this 23rd Annual General Meeting, 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 Annual General Meeting of the Company.

# Statement Accompanying Notice of Annual General Meeting

Pursuant To Paragraph 8.27(2) Main LR

## **DIRECTORS STANDING FOR RETIREMENT AND RE-ELECTION AT THE TWENTY-THIRD ANNUAL GENERAL MEETING**

The following are Directors retiring pursuant to Article 93 and Article 99(ii) of the Company's Articles of Association:-

Article 93: Retirement by rotation

1. Tan Sri Dato' Azman Hj Mokhtar
2. David Lau Nai Pek
3. Dato' Abdul Rahman Ahmad

Article 99 (ii): Retirement after appointment to fill casual vacancy

1. Dr Muhamad Chatib Basri

The respective profiles of the above Directors are set out in the Profile of Directors' section of the Annual Report from pages 022 to 027.

None of the above Directors have any direct and/or indirect interest in the Company and its related corporations.