

**AXIATA GROUP BERHAD (242188 H)**  
(Incorporated in Malaysia)

**MINUTES OF TWENTY-FOURTH ANNUAL GENERAL MEETING OF AXIATA GROUP BERHAD HELD AT THE GRAND BALLROOM, 1ST FLOOR, SIME DARBY CONVENTION CENTRE, 1A JALAN BUKIT KIARA 1, 60000 KUALA LUMPUR, MALAYSIA ON WEDNESDAY, 25 MAY 2016 AT 2.00 P.M.**

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**PRESENT:-**

1. Tan Sri Dato' Azman Haji Mokhtar - *Chairman*  
(**"Chairman"**)
2. Dato' Sri Jamaludin Ibrahim - *Managing Director/President & Group*  
(**"President & GCEO"**) *Chief Executive Officer*
3. Tan Sri Ghazzali Sheikh Abdul Khalid  
(**"TSG"**)
4. Datuk Azzat Kamaludin (**"DAK"**)
5. Dato' Abdul Rahman Ahmad (**"DAR"**)
6. David Lau Nai Pek (**"DL"**)
7. Ann Almeida (**"AA"**)
8. Dr Muhamad Chatib Basri (**"MCB"**)
9. Kenneth Shen (**"KS"**)

**ABSENT WITH APOLOGIES**

Juan Villalonga Navarro (**"JVN"**)

**IN ATTENDANCE**

Suryani Hussein (**"Group Cossec"**) - *Group Company Secretary*

**SHAREHOLDERS PRESENT**

*As per the attendance list [Total : 1,542 representing 5,689,157 Ordinary shares of RM1.00 each (**"Axiata Shares"**)]*

**PROXIES PRESENT**

*As per the attendance list [Total : 788 representing 7,434,361,119 Axiata Shares of which of 1,284,464,930 are represented by Chairman]*

As at 17 May 2016, being the cut-off date for determining who shall be entitled to attend, speak and vote at the 24th AGM or appoint proxies on his/her behalf, Axiata Group Berhad (**"Axiata"** or **"Company"**) had 21,121 depositors, and total issued and paid-up capital of RM8,823,097,743 comprising RM8,823,097,743 Axiata Shares. As at the date and time of close of proxy on Monday, 23 May 2016, a total number of 2,290 valid Proxy Forms/Corporate Representatives] representing 7,434,400,217 (84.26%) Axiata Shares had been lodged.

## 1.0 OPENING

The Chairman called for the recitation of the 'Doa'. Thereafter, he welcomed all shareholders, proxies and invitees present at the 24th Annual General Meeting ("**24th AGM**") of Axiata Group Berhad ("**Axiata**" or "**Company**") and introduced members of the Board who were present to the floor.

The Chairman took the opportunity to thank AA and MCB, both Independent Non-Executive Directors ("**INEDs**") who travelled a long way to attend the Board meeting held earlier before the 24th AGM. He also conveyed the apologies from Mr Juan Villalonga Navarro ("**JVN**"), who at the very last minute, was not able to attend the 24th AGM.

## 2.0 QUORUM AND ADMINISTRATIVE MATTERS

The presence of quorum was confirmed by the Group Cossec pursuant to Article 71 of the Articles of Association ("**Articles**") of the Company.

The Group Cossec also briefed on the voting procedures and procedures for a demand for a poll. As provided under Article 76(a) of the Articles, unless a poll is demanded, all resolutions would be voted by way of a show of hands. Rights for demand of poll as follows provided under Article 76(a) of the Articles were also highlighted:-

- i) At least 2 members, personally present or by proxy or in the case of a corporation by a duly authorised representative;
- ii) Members or proxies or in the case of a corporation, duly authorised representative present and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting;
- iii) Members holding shares on which an aggregate sum has been paid-up equal to not less than one-tenth of the total sum paid up on all the shares held by all members or proxies or in the case of a corporation, duly authorised representative present; and
- iv) By the Chairman.

In line with best practice in corporate governance and enforcing greater shareholders' rights in allowing all votes of the shareholders to be taken into account, all resolutions tabled at the 24th AGM shall be put to vote by way of a poll. The Chairman informed that poll would be conducted through electronic voting conducted by Tricor Investor and Issuing House Services Sdn Bhd as the Poll Administrator and results to be verified by Deloitte Enterprise Risk Services as Scrutineers.

On this note, the Chairman exercised his right as the Chairman of the meeting to demand for a poll. In furtherance of his rights under Article 77 of the Articles, the Chairman for purpose of efficient running of the meeting, exercised his right to defer all polls to be conducted upon completion of the deliberations of all items to be transacted at the 24th AGM.

### 3.0 NOTICE

The Chairman with the permission of the meeting proposed for the Notice of 24th AGM dated 26 April 2016 and despatched together with Axiata's 2015 Annual Report ("**AR2015**") and Sustainability Report in CD-ROM format to be taken as read. The above was seconded by Mr. Tan Gim Boon, a shareholder.

The Chairman highlighted that the digital version of AR2015 and Sustainability Report is downloadable from the Investor Relations section of Axiata's corporate website.

### 4.0 PRESENTATION BY PRESIDENT & GCEO

- 1) The Chairman, invited the President & GCEO to give a presentation on Axiata Group's performance in 2015 and 1Q16 Financial Results released to Bursa Malaysia Securities Berhad in the afternoon before the 24th AGM. The Chairman proceeded to inform that the Board had on 18 May 2016 received a letter ("**MSWG Letter**") from the Minority Shareholder Watchdog Group ("**MSWG**") raising several queries which Axiata had responded to. Full version of Axiata's reply dated 23 May 2016 is made available on Axiata's website.
- 2) The President & GCEO thanked the shareholders for their attendance and shared his presentation entitled '**Shaping the Future : From a Promising Company to a Regional Champion to a New Generation Digital Company**' covering, inter-alia, the following:-
  - i) 2015 Highlights and Performance;
  - ii) 1Q16 Performance;
  - iii) Axiata Journey to become Regional Champion;
  - iv) Axiata 3.0 – Building the New Generation Digital Company; and
  - v) Conclusion and Key Messages.

At the end of his presentation, the President & GCEO invited Idham Nawawi, Group Chief Corporate Officer to give a demonstration on the interactive AR2015 and Sustainability Report. Both reports are downloadable from App Store (IOS) and Google Play (Android).

- 3) Thereafter, the Chairman invited the representative from MSWG, to say a few words. At the request of the representative from MSWG, Mr. Lee Chee Meng and for the benefits of the shareholders, the Chairman and President & GCEO shared Axiata's response to all the queries raised in the MSWG Letter which has been made available on Axiata's website. Mr. Lee thanked the Board and also congratulated the Board on the disclosure on individual basis of Directors' remuneration in AR2015. MSWG have over the years put much emphasis especially for Axiata, one of the companies with leading corporate governance practices in Malaysia.

### 5.0 AUDITED FINANCIAL STATEMENTS ("**AUDITED FINANCIAL STATEMENTS**") FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 ("**FYE2015**") TOGETHER WITH THE REPORT OF THE DIRECTORS AND THE AUDITORS ("**REPORTS**") THEREON

[Ordinary Resolution 1]

- 1) The Chairman tabled the Audited Financial Statements and Reports as set out on pages 113 to 246 of AR2015.
- 2) The Chairman highlighted that as stated in the Notice, in line with the provisions of Section 169(1) and (3) of the Companies Act, 1965 which only requires the Audited Financial Statements to be laid before the shareholders, the Audited Financial Statements will not be

put forward for voting. The Audited Financial Statements is tabled at the 24th AGM only for discussions and for the Board to address any queries.

- 3) The Chairman informed that PricewaterhouseCoopers (“**PwC**”), had in the Auditors’ Report on page 247 and 248 of the AR2015, given their opinion that the Audited Financial Statement have been properly drawn up and present a true and fair view of the financial position of the Company and Group as at 31 December 2015. The motion for the Auditors’ Report to be taken as read was proposed by Mr. Evan Cheah Khiang Hin, a shareholder and Ms. Tengku Ida Ismail, also a shareholder.
- 4) The Chairman invited questions from the floor on the Audited Financial Statement. Comments and/or queries from shareholders/proxies and the summary of proceedings are as follows:-
  - i) Encik Abdul Rashid, a shareholder thanked the President & GCEO for the comprehensive presentation. He raised the following questions:-
    - a) Reasons for the Group not investing in towers in Pakistan, only fiber; and
    - b) Reasons for Ncell coming forward to deposit advance tax on behalf of its former owners, notwithstanding the calculation and declaration of Capital Gains Tax (“**CGT**”); if any, is the responsibility of the seller and when Ncell expects to re-coupe the same.

The President & GCEO highlighted that Axiata Group has some plans in Pakistan with the acquisition of edotco Pakistan (Pvt.) Ltd. (“**e.co PK**”). E.co PK is a company separate from Multinet that deals specifically on fiber, and would be investing organically on towers for the operators in Pakistan.

On the CGT, the President & GCEO highlighted that the imposition of the CGT by the Nepalese Government was unexpected. With the view to avoid complications and being a good corporate citizen, Ncell made the deposit as requested by the Nepalese authorities and would try to recover the same from the seller, through both legal and non-legal means.

The Chairman added that the Board had a lot of discussions on the subject. Whilst Ncell’s move could be viewed as unusual, at some level this could be associated to managing political risks. The issue on tax payable by large companies with foreign ownership came to the fore following the recent change of the Nepalese Government. All in all, the decision was made in good faith and the amount deposited was reviewed by the Board and still within the investment case for the entry into Nepal. Regulatory risks and tax issues are prevalent in some of the countries in which Axiata operates and part of doing business in developing countries. Whilst they are anticipated, they could sometimes be unusual. At this juncture, they are within Axiata Group’s tolerance level.

- ii) Mr. Goon, a shareholder, questioned on the following:-
  - a) With Axiata’s Gross Debt-EBITDA level at 2.25x at the end of 2015, at what level would Axiata be comfortable for the same to rise further and its impact on its credit rating, if any; and
  - b) Information on Celcom’s collaboration with Telekom Malaysia Berhad (“**TM**”) leading to convergence and potential business opportunities that might arise.

The Chairman invited Chari TVT, Group Chief Financial Officer (“**GCFO**”) of Axiata to provide Axiata’s reply to the question on Axiata Group’s capital structure and credit rating. The GCFO clarified that the 2.25x Gross Debt-EBITDA level is within the level

of 2.3-2.5x set by the Board and within Axiata's tolerance level. A number of initiatives are currently being explored to reduce this ratio from its 1Q16 level of 2.93x. This increase is attributed to borrowings to fund the acquisition of Ncell whilst excluding Ncell's contribution of annualised EBITDA which would reduce Axiata Group's EBITDA level within the tolerance level of 2.43x.

Axiata's current credit ratings would be affected if the level exceeded 2.5x. Axiata has been engaging with the credit rating agencies; namely, Moody's and Standard and Poor's Global Ratings for a different Gross Debt-EBITDA ratio to cater for tower companies within Axiata Group. The Chairman added that Axiata's credit ratings have been fairly constant. This reflects well on the Group's business challenges and the Board took cognisance that an acceptable debt level is a good indicator of risks and tolerance levels.

The President & GCEO highlighted that the collaboration with TM would benefit both parties whereby Celcom/TM would allow access to its respective network in pursuance of their convergence strategy. Celcom, whilst in trial, had in April 2016 launched its first fiber-to-the-home (FTTH) offerings and is expected to grow bigger not only on fiber offerings but also full fixed and mobile solutions; including content, by end of 2016.

iii) Mr Ng Han Sin, a proxy, enquired on the following:-

- a) In pursuing the Group's convergence strategy and offering new products and contents, whether this would include Celcom reducing its prices. Celcom's lagging performance against its competitors could be attributed to Celcom's lowering its prices for its products and services;
- b) Whether Axiata has over-expanded into regional market and neglected its main market; Malaysia which potentially caused perennial problems in Celcom; and
- c) Sellers' response to the deposit of advance tax payment by Ncell and discussions with Axiata on the tax issue and legal recourse available to Axiata if the seller would not pay the CGT or to re-coupe the deposit from the Nepalese Government.

Response from the President & GCEO on the above are as follows:-

- a) Lowering of prices and aggressive price strategy have been quite severe locally and new entrants also add to the competitive landscape of the local telecommunication industry. Recognising that reducing prices and competitive pricing whilst growing data revenue would not be sustainable in the long-run and could be detrimental not only to the Group but also the industry, the Group's strategy is to offer packaged products covering fixed/mobile, digital services, content OTT and FTTH to increase the Group's customers' wallet share;
- b) On Celcom, a full-fledged separate teams are available at both Corporate Center and Celcom to look into operational issues and future direction of Celcom with regard to consolidation/M&A; and
- c) Legal recourse is available.

The Chairman summarised the above and reiterated the point on the deposit by Ncell was sanctioned by the Board. On competitive market, the Board recognised the limited growth pool in the telecommunication industry Axiata's current footprint and in other markets. Whilst Ncell's action was unusual and notwithstanding the issue on CGT, Ncell is still a profitable venture.

With that, the Chairman concluded the question and answer session for Agenda 1 on the receipt of Audited Financial Statements and proceeded to the next agenda.

## **6.0 DECLARATION OF FINAL TAX EXEMPT DIVIDEND UNDER SINGLE TIER SYSTEM OF 12 SEN PER ORDINARY SHARE FOR THE FYE2015**

[Ordinary Resolution 1]

- 1) Axiata had on 16 February 2016, declared the Final Dividend which together with the interim dividend of 8 sen per Axiata Share paid in October 2015 would imply a dividend payout ratio (“**DPR**”) of 85% of FYE2015 normalised PATAMI. If the Final Dividend is approved, total dividend of 20 sen per share would tantamount to a cash outflow of RM1.8 billion.
- 2) The Dividend Reinvestment Scheme (“**DRS**”) would apply to the Final Dividend whereby shareholders would be given the option to elect to reinvest the whole or part of the Final Dividend into new Axiata Shares. The dividend entitlement date and payment date will be announced later today.
- 3) Mr. Ng Han Sin, based on the Group’s 1Q16 Financial Results released today, questioned on the sustainability of the 20 sen dividends for FYE2015 from Axiata of which the President & GCEO responded that the Group intends to perform better in the remaining of FYE2016 to support its Dividend Policy. The Chairman expressed his view that Dividend Policy tends to value a more predictable DPR. Axiata has been declaring and guiding its investors based on DPR instead of a definite amount. This Dividend Policy although would imply growth over time and commitment on the part of Axiata to maintain the DPR, would also be subjected to underlying performance of its operating companies. Having performed for a number of years, XL and Celcom recorded ‘soft results’ in 1Q16. Both operating companies must show significant improvements and strong recovery in 2Q16 or 3Q16.

For ease of administration, the Chairman proposed that all voting to be deferred to the end of the meeting. The proposal was seconded by Mr. Tan Gim Boon, a shareholder.

## **7.0 RE-ELECTION OF DIRECTORS RETIRING BY ROTATION PURSUANT TO ARTICLE 93 OF THE ARTICLES**

### **I. RE-ELECTION OF DATO’ SRI JAMALUDIN IBRAHIM**

[Ordinary Resolution 2]

### **II. RE-ELECTION OF BELLA ANN ALMEIDA**

[Ordinary Resolution 3]

- 1) The Chairman informed that JVN, an Independent Director also retires under Article 93 but did not offer himself for re-election. Hence, he would retire at the conclusion of the 24th AGM.
- 2) JVN’s retirement marks the first phase of Axiata’s Independent Directors’ succession planning. On behalf of the Board, the Chairman thanked and would like to record the Board’s appreciation for his contribution as a member of the Board of Axiata. He was an integral member of the Board since Axiata’s inception in 2008 bringing Axiata to what it is today.
- 3) On the re-election of DSJI and AA, the Chairman highlighted that the Board has recommended their re-election. Details of the assessment carried out by the Board Nomination Committee (“**BNC**”) on DSJI and AA are provided on page 63 of AR2015. AA, an INED, has also re-affirmed her independence based on the independence criteria applied by Axiata in yearly assessment of its Independent Director.

- 4) Mr Liew Ann Puat, a proxy, requested for the meeting to note AA's attendance at BNC and Board Remuneration Committee meetings on page 60 of AR2015. Mr Liew hoped that with her re-election, AA would be committed to attend these meetings in 2016. The Chairman noted Mr Liew's comments and with her retirement as Group Managing Director, Human Resources of HSBC Group, based in UK, in May 2015, the Board anticipates that she would have more time to attend these meetings.

The Chairman deferred the voting on Ordinary Resolutions 2 and 3 to the end of the meeting.

## **8.0 RE-APPOINTMENT OF DIRECTORS PURSUANT TO SECTION 129 OF THE COMPANIES ACT, 1965**

### **I. TAN SRI GHAZZALI SHEIKH ABDUL KHALID**

[Ordinary Resolution 4]

### **II. DATUK AZZAT KAMALUDIN**

[Ordinary Resolution 5]

- 1) Having reached 70 years and as Directors of public companies, both TSG and DAK are required under Section 129 of the Companies Act, 1965 to be re-appointed as Directors at each AGM and hold office until the next AGM. The Chairman highlighted that for the resolutions on their re-appointment to be passed, a majority of not less than three-fourths of members or proxies present and voting at the 24th AGM must be obtained.
- 2) The Board has recommended the re-appointment of both Directors. Details of assessment of both TSG and DAK are provided in the Statement on Corporate Governance on pages 62 and 63 of AR2015.

The Chairman deferred the poll voting on Ordinary Resolutions 4 and 5 to the end of the meeting.

## **9.0 PAYMENT OF THE FOLLOWING DIRECTORS' FEES WITH EFFECT FROM THE 24TH AGM UNTIL THE NEXT AGM:-**

- I. DIRECTORS' FEES OF RM30,000.00 PER MONTH TO THE NON-EXECUTIVE CHAIRMAN ("NEC") AND RM20,000.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BOARD;**
- II. DIRECTORS' FEES OF RM4,000.00 PER MONTH TO THE NEC AND RM2,000.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BAC;**
- III. DIRECTORS' FEES OF RM1,200.00 PER MONTH TO THE NEC AND RM800.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BNC; AND**
- IV. DIRECTORS' FEES OF RM1,200.00 PER MONTH TO THE NEC AND RM800.00 PER MONTH TO EACH OF THE NEDS WHO ARE MEMBERS OF THE BRC**

[Ordinary Resolution 6]

- 1) The Chairman informed the meeting that the quantum of the Monthly Fixed Fees and Board Committees approved at the last AGM remain unchanged. Detailed explanation on the remuneration structure of Non-Executive Directors of Axiata and remuneration received by each Director including Benefits-in-Kind are provided on page 65 of AR2015.
- 2) Questioned by Mr Ng Han Sing on the number of Board meetings held annually and Axiata's Directors' remuneration compared to other companies with similar size, the Chairman invited TSG, the Chairman of BRC to provide his reply. TSG referred to page 60 of AR2015 listing all the Board and Board committee meetings held in 2016. On the fees structure, the

Chairman highlighted that the Board has been quite disciplined in determining the remuneration structure which is also reviewed by independent consultants specialising in Directors' remuneration. In making comparisons against its peers, Axiata's Directors' fees structure were also benchmarked against its peers taking cognisance of the size and complexities of the Group. The Chairman added that some of the Board members are leaders in their respective fields and the amount paid to Directors commensurate with the responsibilities assumed by the Directors.

- 3) On Mr Ng Han Sing's comments for Directors to be paid meeting allowance only as compared to Monthly Fixed Fees which are normally higher, the Chairman commented that the Directors' remuneration structure are consistent with the industry's standard practice. Directors are also expected to discharge their duties and responsibilities throughout the year, not only during attendance of Board meetings.

The Chairman deferred the poll voting on Ordinary Resolution 6 to the end of the meeting.

**10.0 RE-APPOINTMENT OF MESSRS. PRICEWATERHOUSECOOPERS ("PwC") TO ACT AS AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 2015 ("RE-APPOINTMENT OF AUDITORS") AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

[Ordinary Resolution 7]

- 1) PwC has expressed their willingness to continue office as Auditors of the Company.
- 2) The Board Audit Committee ("BAC") has considered the re-Appointment of Auditors based on the criteria prescribed under Paragraph 15.21 of the Main LR. The Board having considered BAC's recommendation, is of the opinion that the Re-Appointment of Auditors is in the best interest of the Company and has recommended the same for approval by the shareholders. Details of the assessment and criteria used by the BAC on the review are provided in page 71 of AR2015.

The Chairman deferred the poll voting on Ordinary Resolution 7 to the end of the meeting.

**11.0 PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

[Ordinary Resolution 8]

- 1) Khazanah Nasional Berhad ("**Khazanah**"), the major shareholder of Axiata was deemed interested in the Proposed Shareholders' Mandate. The Chairman and KS are representatives of Khazanah on the Board of Axiata. Both the Chairman and KS have abstained and would continue to abstain from deliberating and voting on the RRPT Mandate.
- 2) Khazanah would have to abstain from voting in respect of their direct and/or indirect shareholdings in the Company on the resolution on the Proposed Shareholders' Mandate and have taken steps to ensure that persons connected to them would abstain from voting in respect of their direct and/or indirect shareholdings, if any, on this resolution.
- 3) In view of the above, the Chairman handed over the chair of the meeting to DL.

Having presided the meeting on the Proposed Shareholders' Mandate, DL deferred the poll voting on Ordinary Resolution 8 to the end of the meeting.

At the conclusion of the agenda item, DL handed over the chair of the meeting to the Chairman.



**12.0 PROPOSED RENEWAL OF AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW AXIATA SHARES IN RELATION TO THE DIVIDEND REINVESTMENT SCHEME THAT PROVIDES THE SHAREHOLDERS OF AXIATA WITH THE OPTION TO ELECT TO REINVEST THEIR CASH DIVIDEND ENTITLEMENTS IN NEW ORDINARY SHARES OF RM1.00 EACH IN AXIATA (“PROPOSED RENEWAL OF DRS”)**

[Ordinary Resolution 9]

- 1) The shareholders had, at the 22nd AGM, approved the DRS providing shareholders with the opportunity to reinvest their cash dividends in new Axiata Shares in lieu of receiving cash.
- 2) The Proposed Renewal of DRS, 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 AGM. A renewal of this authority will be sought at subsequent AGM.
- 3) The Board noted the suggestion from Encik Rashid for the Company to consider changing its current practice giving shareholders 2 options under the DRS, either to choose the maximum or minimum number of shares under the DRS but to allow shareholders to opt for any number of shares up to the maximum amount eligible to avoid odd lots. The Board noted that the latter is practiced by other companies.
- 4) The Chairman was of the view that the request is sensible. The Management would look into this matter and consider the same taking into consideration administrative issues, if there is any.

The Chairman deferred the poll voting on Ordinary Resolution 9 to the end of the meeting.

**13.0 AUTHORITY UNDER SECTION 132D OF THE COMPANIES ACT, 1965 FOR DIRECTORS TO ALLOT AND ISSUE SHARES IN THE COMPANY (“PROPOSED RENEWAL OF AUTHORITY UNDER SECTION 132”)**

[Ordinary Resolution 10]

- 1) Ordinary Resolution 10 if approved would allow the Directors, from the date of the 24th AGM until the conclusion of the next AGM, to issue 10% of the issued and paid-up capital of the Company subject to the relevant required approvals such as Bursa Securities.
- 2) Under the Main LR, where issuance of shares is made pursuant to a general mandate such as this, Axiata must ensure that Axiata Shares issued are not priced at more than 10% discount to the weighted average market price of the shares for the 5 market days immediately before the price-fixing date and no Axiata Shares will be placed to interested Director, major shareholder or CEO or persons connected with the interested Director, major shareholder or CEO.
- 3) The Company has not issued any new Axiata Shares under the general mandate for approved at the 23rd AGM. The Board has considered the Proposed Renewal of Authority under Section 132D and is of the opinion that the proposal is in the best interest of the Company and recommended the proposal.

The Chairman deferred the poll voting on Ordinary Resolution 10 to the end of the meeting.

**14. PROPOSED ESTABLISHMENT OF A LONG TERM INCENTIVE PLAN OF UP TO SEVEN PERCENT (7%) OF THE ISSUED AND PAID-UP ORDINARY SHARE CAPITAL OF AXIATA GROUP BERHAD (AXIATA) (EXCLUDING TREASURY SHARES) AT ANY POINT IN TIME OVER THE DURATION OF THE PROPOSED LTIP, FOR THE ELIGIBLE EMPLOYEES AND EXECUTIVE DIRECTORS OF AXIATA AND ITS SUBSIDIARIES (EXCLUDING SUBSIDIARIES WHICH ARE DORMANT) (“PROPOSED LTIP”)**

[Ordinary Resolution 11]

- 1) At the invitation by the Chairman, TSG briefed on the Proposed LTIP covering; inter-alia, current Axiata Share Scheme would be expiring on 15 April 2019 with last grant made this year to meet the 3-year vesting period and the Proposed LTIP is necessary for the benefit of the Executive Director and employees of the Company who fulfill eligibility conditions in accordance with the Bye-Laws of the Proposed LTIP. If approved, the Proposed LTIP will be in force for 10 years from the date Axiata is in full compliance with the relevant requirements under the Bye-Laws and Main Market Listing Requirements of Bursa Securities.
- 2) The Chairman thanked TSG and highlighted that DSJI is entitled to participate in the Proposed LTIP and therefore interested in the proposal to the extent of the proposed award of Axiata Shares under the Proposed LTIP.
- 3) The Chairman then invited Mr Shai Guna, the representative from Mercer (Singapore) Pte Ltd to make a presentation on the Proposed LTIP.

**15. PROPOSED AWARD OF AXIATA SHARES TO DSJI PURSUANT TO THE PROPOSED LTIP (“PROPOSED AWARD”)**

[Ordinary Resolution 12]

- 1) At this juncture, DSJI left the meeting.
- 2) As highlighted in the explanatory notes in the Notice, the Proposed Award, if approved would allow Axiata to award DSJI, the Managing Director/President & GCEO of Axiata up to 13,032,600 Axiata Shares under the Proposed LTIP.
- 3) As informed by the Chairman earlier, DSJI being interested in the award, has abstained from all deliberations and voting on this resolution at Board meetings and reminded any persons connected with DSJI present at the 24th AGM, to abstain from voting on the Proposed Award.
- 4) Mr Liew Ann Puat and Miss Serena, a shareholder, sought clarification on the following:-
  - i) Whether the new award of Axiata Shares under the Proposed LTIP is mutually exclusive from the existing Axiata Share Scheme and what would happen to the awarded Axiata Shares upon resignation; and
  - ii) How the number of 13.03 million Axiata Shares to be awarded to DSJI was determined.

The Chairman and TSG clarified that the Proposed Award is mutually exclusive from the existing Axiata Share Scheme and would be awarded/vested subject to performance/vesting conditions over a 10-year period. Upon resignation, the grantee would no longer be eligible for the Axiata Shares that have yet to be vested. On the number of Axiata Shares, the same is formulae driven and subject to the Company and DSJI meeting the granting/vesting conditions.

At the end of the agenda item, the Chairman invited DSJI to re-join the meeting and proceed with the polling for each of the resolutions tabled at the 24th AGM.

## 16. POLLING PROCESS

For polling purposes, the Chairman declared the closure of the registration for attendance at the 24th AGM at 3.58 p.m. and called upon Ms. Wong Yoke Fun, the representative from the Poll Administrator to brief on the polling procedures.

Ms Yoke Fun explained the polling procedures which would be conducted via Tricor e-voting system. There were 40 e-voting kiosks in the meeting room equipped with iPad and barcode reader. Shareholders/proxies were to register at the e-voting kiosks with the personalised passcode slips issued upon registration. Registration at the kiosks would be verified by the Scrutineers.

Tricor's e-voting video played during registration at the foyer was once again played inside the Meeting Room.

The Chairman adjourned the 24th AGM at 4.05 p.m. for 30 minutes for the polling. The Chairman informed that Poll Administrator would assist shareholders/proxies facing any difficulties during the electronic polling process.

## 17. ANNOUNCEMENT OF POLL RESULTS

The 24th AGM re-convened at 4.35 p.m. and the Chairman called the meeting to order for declaration of results. He then invited Mr Anthony Tai, representing the Scrutineers to confirm that the poll voting results have been verified.

Mr Anthony confirmed that the poll voting results as projected on the screen in the meeting room have been verified. The poll voting results are attached as '**Annexure I**'.

Based on the poll results verified by the Scrutineers, the Chairman declared all resolutions tabled at the 24th AGM carried.

Therefore, **IT WAS RESOLVED:-**

### • ORDINARY BUSINESS

**THAT** the declaration of final tax exempt dividend under single tier system of 14 sen per Ordinary Share for the FYE2015 be and is hereby approved.

(Ordinary Resolution 1)

**THAT** Dato' Sri Jamaludin Ibrahim who retires in accordance with Article 93 of the Articles of Association of the Company and who being eligible offered himself for re-election, be and is hereby re-elected as Director of the Company.

(Ordinary Resolution 2)

**THAT** Bella Ann Almeida who retires in accordance with Article 93 of the Articles of Association of the Company and who being eligible offered himself for re-election, be and is hereby re-elected as Director of the Company.

(Ordinary Resolution 3)

**THAT** Tan Sri Ghazzali Sheikh Abdul Khalid be and is hereby re-appointed as Director of the Company in accordance with Section 129 of the Companies Act, 1965 to hold office until the next annual general meeting of the Company.

(Ordinary Resolution 4)

**THAT** Datuk Azzat Kamaludin be and is hereby re-appointed as Director of the Company in accordance with Section 129 of the Companies Act, 1965 to hold office until the next annual general meeting of the Company.

(Ordinary Resolution 5)

**THAT** the payment of the following Directors' fees with effect from the 24th AGM until the next AGM of the Company be and is hereby approved:-

- i) Directors' fees of RM30,000.00 per month to the Non-Executive Chairman ("**NEC**") and RM20,000.00 per month to each of the Non-Executive Directors ("**NEDs**") who are members of the Board;
- ii) Directors' fees of RM4,000.00 per month to the NEC and RM2,000.00 per month to each of the NEDs who are members of the Board Audit Committee;
- iii) Directors' fees of RM1,200.00 per month to the NEC and RM800.00 per month to each of the NEDs who are members of the Board Nomination Committee; and
- iv) Directors' fees of RM1,200.00 per month to the NEC and RM800.00 per month to each of the NEDs who are members of the Board Remuneration Committee.

(Ordinary Resolution 6)

**THAT** Messrs PricewaterhouseCoopers be and is hereby re-appointed as Auditors of the Company for the financial year ending 31 December 2016 until the conclusion of the next annual general meeting **AND THAT** the Directors be and are hereby authorised to fix their remuneration.

(Ordinary Resolution 7)

- **SPECIAL BUSINESS**
- **Proposed Shareholders' Mandate**

**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 26 April 2016 ("**Circular**") despatched together with the Company's Annual Report 2015, 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 8)

- **Proposed Renewal of DRS Authority**

**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 9)

- **Proposed Renewal of Authority under Section 132**

**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 10)

- **Proposed LTIP**

**THAT** subject to the approvals of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any other relevant authorities being obtained, approval be and is hereby given to the Company and to the extent permitted by law and the Memorandum and Articles of Association of the Company:-

- i) to establish, implement and administer the Proposed LTIP for the benefit of the Executive Directors and the employees of the Company and its subsidiaries (excluding subsidiaries which are dormant) who fulfil the conditions of eligibility for participation in the Proposed LTIP, in accordance with the Bye-Laws of the Proposed LTIP (“**Bye-Laws**”), a draft of which is set out in Appendix II of the Circular to Shareholders dated 26 April 2016 (“**Circular**”);
- ii) to allot and issue fully paid ordinary shares of RM1.00 each in the Company (“**Axiata Shares**”) from time to time as may be required by the committee appointed and authorised by the Board of Directors of the Company (“**Board**”) to implement and administer the Proposed LTIP in accordance with the Bye-Laws, provided always that the total number of Axiata Shares to be allotted and issued upon the vesting of Axiata Shares shall not in aggregate exceed 7% of the issued and paid-up ordinary share capital of the Company (excluding treasury shares, if any) at any point in time over the duration of the Proposed LTIP;
- iii) to add, modify, alter, delete and/or amend the Proposed LTIP, the Bye-Laws and/or all rules, regulations and administration relating to the Proposed LTIP and/or the administration thereof, from time to time as may be required or permitted or deemed necessary by the authorities or the Board, provided that such additions, modifications, alterations, deletions and/or

- amendments are effected and permitted in accordance with the provisions of the Bye-Laws; and
- iv) to do all such acts, execute all such documents and to enter into all such transactions, arrangements and agreements, deeds or undertakings and to make such rules or regulations, or impose such terms and conditions or delegate part of its power as may be necessary or expedient in order to give full effect to the Proposed LTIP and terms of the Bye-Laws;

**THAT** the proposed Bye-Laws, as set out in **Appendix II** of the Circular, which is in compliance with the Main Market Listing Requirements of Bursa Securities, be and is hereby approved;

**THAT** such new Axiata Shares issued pursuant to the Proposed LTIP shall, upon allotment and issuance, rank pari passu in all respects with the then existing Axiata Shares and shall be entitled to any dividends, rights, allotments and/or distributions attached thereto and/or which may be declared, made or paid to the Company's shareholders, provided that the allotment date of such new Axiata Shares is prior to the entitlement date for any right, allotment and distribution;

**AND THAT** the Board be and is hereby empowered and authorised with full power to amend and/or assent to any conditions, modifications, variations and/or amendments 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.

(Ordinary Resolution 11)

- **Proposed Award**

**THAT** subject to the passing of Ordinary Resolution 11 and the approvals of all the relevant authorities for the Proposed LTIP, the Board of Directors of the Company ("**Board**") be and is hereby authorised to, at any time and from time to time subject always to such terms and conditions and/or adjustments which may be made in accordance with the provisions of the Bye-Laws, grant Dato' Sri Jamaludin bin Ibrahim, Managing Director/President & Group Chief Executive Officer of the Company, up to 13,032,600 Axiata Shares to be issued to and/or vested in him pursuant to the Proposed Award.

**AND THAT** the Board be and is hereby authorised to allot and issue new Axiata Shares pursuant to the Proposed LTIP to him from time to time pursuant to the vesting of the Proposed Award.

(Ordinary Resolution 12)

## **18.0 TERMINATION OF MEETING**

- 1) The Group Cossec confirmed that there was no notice received for any other business to be conducted at the 24th AGM.
- 2) The Chairman concluded the Meeting and thanked all present. The Meeting was terminated at 4.10 p.m.

**CONFIRMED AS A CORRECT RECORD**

**CHAIRMAN**

**Date:**

**Appendix**

Poll Voting Results – **Annexure I**

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# AXIATA GROUP BERHAD

(242188-H)

ANNEXURE I

**24th Annual General Meeting**  
Grand Ballroom, 1st Floor, Sime Darby Convention Centre,  
1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia  
On 25-May-2016 at 02:00PM

## Result On Voting By Poll

Resolution(s)	Vote For		Vote Against		Total Votes		Abstain
	No of Units	%	No of Units	%	No of Units	%	No of Units
Ordinary Resolution 1	7,432,429,357	100.000	17,358	0.000	7,432,446,715	100.000	2,257
Ordinary Resolution 2	6,161,954,057	99.939	3,750,412	0.061	6,165,704,469	100.000	1,266,744,503
Ordinary Resolution 3	5,150,915,506	83.762	998,536,931	16.238	6,149,452,437	100.000	1,282,996,535
Ordinary Resolution 4	6,076,079,819	98.546	89,624,650	1.454	6,165,704,469	100.000	1,266,744,503
Ordinary Resolution 5	6,149,557,339	99.738	16,147,130	0.262	6,165,704,469	100.000	1,266,744,503
Ordinary Resolution 6	6,159,648,386	82.876	1,272,682,285	17.124	7,432,330,671	100.000	118,301
Ordinary Resolution 7	7,431,522,461	99.988	925,460	0.012	7,432,447,921	100.000	1,051
Ordinary Resolution 8	4,044,413,045	99.982	742,658	0.018	4,045,155,703	100.000	3,387,293,269
Ordinary Resolution 9	7,431,551,418	99.990	776,418	0.010	7,432,327,836	100.000	121,136
Ordinary Resolution 10	5,777,305,440	98.303	99,723,679	1.697	5,877,029,119	100.000	1,555,419,853
Ordinary Resolution 11	6,748,475,669	90.799	683,857,252	9.201	7,432,332,921	100.000	116,051
Ordinary Resolution 12	6,748,444,521	90.799	683,877,194	9.201	7,432,321,715	100.000	127,257