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CELCOMDIGI BERHAD
(Registration No. 199701009694 (425190-X))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT
RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE FOR
CELCOMDIGI BERHAD AND ITS SUBSIDIARIES**

Notice of the 27th Annual General Meeting (“**AGM**”) which will be held on Monday, 27 May 2024 at 10.00 a.m. conducted on a virtual basis through online meeting platform at <https://meeting.boardroomlimited.my> provided by Boardroom Share Registrars Sdn Bhd in Malaysia (“**Poll Administrator**”) using Remote Participation and Electronic Voting facilities and live streaming from broadcast venue at Auditorium, Level Podium 6, Menara CelcomDigi, No. 6, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, together with the Form of Proxy are available at the Company’s website at <https://corporate.celcomdigi.com/annualreport>. The hardcopy of Form of Proxy must be deposited at Poll Administrator’s office, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia at least forty-eight (48) hours before the time appointed for holding the AGM. Alternatively, the Form of Proxy can be submitted electronically via <https://investor.boardroomlimited.com> before the Form of Proxy submission cut-off time as mentioned above. The lodging of the Form of Proxy will not preclude you from attending and voting at the AGM if you subsequently wish to do so.

Date of Record of Depositors for the purpose of
determining shareholders’ entitlement to
participate, vote, and speak at the AGM : Monday, 20 May 2024

Last day and time to submit the Form of Proxy : Saturday, 25 May 2024 at 10.00 a.m.

Date and time of the AGM : Monday, 27 May 2024 at 10.00 a.m.

This Circular is dated 16 April 2024

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

Act	:	The Companies Act 2016 as amended from time to time and any re-enactment thereof
AGM	:	Annual general meeting of our Company
Axiata	:	Axiata Group Berhad (Registration No. 199201010685 (242188-H))
Axiata Group	:	Axiata and its subsidiaries as defined in section 4 of the Act
Board	:	Board of Directors of CelcomDigi
Board Audit Committee	:	Our Board Audit Committee, comprising Tan Sri Abdul Farid Alias, Ms Vimala V.R. Menon, and Puan Khatijah Shah Mohamed
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Celcom	:	Celcom Berhad (Registration No. 198801000113 (167469-A))
CelcomDigi Group or the Group	:	CelcomDigi and its subsidiaries as defined in section 4 of the Act
CelcomDigi or the Company	:	CelcomDigi Berhad (Registration No. 199701009694 (425190-X))
Celcom Mobile	:	Celcom Mobile Sdn Bhd (Registration No. 197601002188 (27910-A))
Celcom Resources	:	Celcom Resources Berhad (Registration No. 196601000446 (6899-X))
Circular	:	This circular to shareholders of CelcomDigi dated 16 April 2024 in relation to the approval of shareholders on the Proposed Renewal of Shareholders' Mandate
CMSA	:	Capital Markets and Services Act 2007
Digi Tel	:	Digi Telecommunications Sdn Bhd (Registration No. 199001009711 (201283-M))
Director(s)	:	Shall have the same meaning under subsection 2(1) of the CMSA and includes any person who is or was within the preceding six (6) months of the date on which terms of the RRPTs were agreed upon, a director of CelcomDigi, its subsidiary or holding company or Chief Executive Officer of CelcomDigi, its subsidiary or holding company
DNB	:	Digital Nasional Berhad (Registration No. 201701005338 (1219503-P))
DNB Shares	:	Ordinary shares in DNB
DNB Rights Allotment	to	Rights to allotment of new DNB Share(s) to be issued where each right provides the holder with right to allotment of one (1) DNB Share and shall be entitled to one (1) vote as if it was one issued DNB Share, subject to the terms of the conditional share subscription agreements entered into by Digi Tel and Celcom Mobile respectively with DNB on 7 October 2022
edotco	:	edotco Malaysia Sdn Bhd (Registration No. 198501016343 (148800-H))
edotco Group	:	edotco Group Sdn Bhd (Registration No. 201201038361 (1022843-U)) and its subsidiaries, which includes edotco

DEFINITIONS (cont'd)

- Khazanah : Khazanah Nasional Berhad (Registration No. 199301020767 (275505-K)), a Major Shareholder of Axiata and indirect Major Shareholder of CelcomDigi
- Khazanah Group : Khazanah, its subsidiaries as defined in section 4 of the Act and other related entities, of which Khazanah is the major shareholder of these companies
- LPD : 17 March 2024, being the latest practicable date for ascertaining certain information contained in this Circular prior to its printing
- Main Suit 1 : The civil claim at the Kuala Lumpur High Court (Civil Suit. No. D1-22-1960-2008) filed by Celcom and Celcom Resources against, inter alia, TSDTR, DBR, and DeTeAsia Holding GmbH, as further elaborated in Appendix II
- Main Suit 2 : The civil claim at the Kuala Lumpur High Court (Civil Suit No. D5-22-610-2006) filed by Celcom and Celcom Resources against, inter alia, TSDTR and DBR, as further elaborated in Appendix II
- Major Shareholder : A person who is or was within the preceding six (6) months of the date on which the terms of the RRPT were agreed upon, has an interest or interests in one or more voting shares in the Company (or any other corporation which is its subsidiary or holding company) and the number or aggregate number of those shares, is:-
- (a) 10% or more of the total number of voting shares in the Company; or
 - (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.
- For the purpose of this definition, "interest in shares" has the meaning given in section 8 of the Act
- MMLR : Main Market Listing Requirements of Bursa Securities including amendments thereto that may be made from time to time
- NA : Net Asset
- Person(s) Connected : In relation to a Director or Major Shareholder, means such person who falls under any one of the following categories:
- (a) a family member of the Director or Major Shareholder;
 - (b) a trustee of a trust (other than a trustee for an employees share scheme or pension scheme) under which the Director, Major Shareholders or a family member of the Director or Major Shareholder, is the sole beneficiary;
 - (c) a partner of the Director or Major Shareholder;
 - (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
 - (e) its directors, in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;

DEFINITIONS (cont'd)

- (f) a body corporate in which the Director or Major Shareholder and/or Person Connected with him are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
- (g) a body corporate which is related corporation of the Director or Major Shareholder.

Proposed Renewal of Shareholders' Mandate : Proposed renewal of existing shareholders' mandate for CelcomDigi Group to enter into Recurrent Related Party Transactions

Public : Shall have the meaning given in Chapter 1 of the MMLR

Recurrent Related Party Transaction or RRPT(s) : Transactions with Related Parties involving recurrent transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Group and are in the ordinary course of business of CelcomDigi Group, as further described in Appendix I of this Circular

Related Parties : Director, Major Shareholder or Person Connected with such Director or Major Shareholder who are interested in the RRPT as further described in Appendix I of this Circular

RM and sen : Ringgit Malaysia and sen respectively

Telenor : Telenor ASA (Registration No. 982 463 718)

Telenor Malaysia : Telenor Malaysia Investments Pte Ltd (Registration No. 202107994R)

Telenor Group : Telenor and its subsidiaries as defined in section 4 of the Act

TM : Telekom Malaysia Berhad (Registration no. 198401016183 (128740-P))

TM Group : TM and its subsidiaries as defined in section 4 of the Act

All references to "we", "us", "our", and "ourselves" in this Circular are to CelcomDigi and references to "Our Group" mean CelcomDigi Group. All references to "you" in this Circular are to the shareholders of our Company.

Words importing the singular shall, where applicable, include the plural and vice versa, and words referring to masculine gender shall, where applicable, include the feminine and/or neuter gender, and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment, rules or legislation is a reference to that enactment, rules or legislation currently enforced including any amendment or re-enactment. Any reference to time or day in this Circular shall be a reference to Malaysian time, unless otherwise specified.

Any discrepancy in the tables and statements included in this Circular between the amounts stated and the totals thereof are due to rounding.

CIRCULAR TO SHAREHOLDERS OF CELCOMDIGI BERHAD IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

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CELCOMDIGI BERHAD
(Registration No. 199701009694 (425190-X))
(Incorporated in Malaysia)

Registered Office
Level 30, Menara CelcomDigi
No. 6, Persiaran Barat
Seksyen 52, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

16 April 2024

Board of Directors:

Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz (*Chair/Non-Independent Non-Executive Director*)
Mr Haakon Bruaset Kjoel (*Deputy Chair/Non-Independent Non-Executive Director*)
Mr Vivek Sood (*Non-Independent Non-Executive Director*)
Ms Rita Skjaervik (*Non-Independent Non-Executive Director*)
Dr Shridhir Sariputta Hansa Wijayasuriya (*Non-Independent Non-Executive Director*)
Mr Kasper Wold Kaarbø (*Non-Independent Non-Executive Director*)
Tan Sri Abdul Farid Alias (*Independent Non-Executive Director*)
Ms Vimala V.R. Menon (*Independent Non-Executive Director*)
Datuk Iain John Lo (*Independent Non-Executive Director*)
Puan Khatijah Shah Mohamed (*Independent Non-Executive Director*)

To: The Shareholders of CelcomDigi Berhad

Dear Sir/ Madam,

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

1. INTRODUCTION

The Company had on 23 May 2023 obtained shareholders' mandate under Paragraph 10.09 of the MMLR from its shareholders for the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions which are necessary for the Group's day-to-day operations and are in ordinary course of business and on terms that are not more favourable to the Related Parties than those generally available to the public. The approval shall in accordance with the MMLR lapse at the conclusion of the forthcoming 27th AGM scheduled on 27 May 2024 unless approval for its renewal is obtained from the shareholders of the Company at the same AGM.

On 15 March 2024, the Board had announced to Bursa Securities of its intention to seek shareholders' approval at the forthcoming 27th AGM for the Proposed Renewal of Shareholders' Mandate in respect of the RRPTs set out in Section 2.4 of this Circular, in accordance with Paragraph 10.09 of the MMLR.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TOGETHER WITH THE RECOMMENDATION OF OUR BOARD AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTIONS PERTAINING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING AGM. THE EXTRACT OF THE NOTICE OF FORTHCOMING AGM IS ENCLOSED IN THIS CIRCULAR FOR YOUR REFERENCE AND PERUSAL.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE ORDINARY RESOLUTIONS TO BE TABLED AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

2.1 Provision under MMLR

- (a) Paragraph 10.09(1) of the MMLR provides, among others, that a listed issuer must immediately announce a RRPT in relation to a listed issuer with an issued and paid-up capital of RM60.0 million and above:
 - (i) the consideration, value of the assets, capital outlay or cost of the RRPT is RM1.0 million or more; or
 - (ii) the percentage ratio of such RRPT is one percent or more,whichever is the higher.
- (b) Paragraph 10.09(2) of the MMLR provides that a listed issuer may seek a shareholder's mandate in respect of RRPTs subject to the following:
 - (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the Public;
 - (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the MMLR;
 - (iii) the listed issuer's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities. The draft circular must be submitted to Bursa Securities together with a checklist showing compliance with such information;
 - (iv) in a meeting to obtain shareholders' mandate, relevant related party must comply with the following requirements:
 - (a) a related party with any interest, direct or indirect, must not vote on the resolution in respect of the related party transaction;
 - (b) an interested related party who is a Director or Major Shareholder, must ensure that Persons Connected with it abstain from voting on the resolution in respect of the related party transaction; and
 - (c) where the interested related party is a Person Connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution in respect of the related party transaction.

- (v) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPTs entered into by the listed issuer, exceeds the estimated value of the RRPTs disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where a listed issuer has procured a shareholders' mandate pursuant to Paragraph 10.09(2) of the MMLR, the provisions of Paragraph 10.08 of the MMLR will not apply.

The Proposed Renewal of Shareholders' Mandate, if approved, shall take effect from the date of the passing of the ordinary resolutions proposed at the forthcoming 27th AGM and shall continue to be in force and effect until:-

- (a) the conclusion of the next AGM following the forthcoming 27th AGM, at which time the Proposed Renewal of Shareholders' Mandate will lapse, unless by a resolution passed at the next AGM, whereby the authority is renewed; or
- (b) the expiration of the period within which the next AGM is required to be held, pursuant to section 340(2) of the Act, (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

2.2 Principal Activities

The principal activity of the Company is investment holding whilst its subsidiary companies are principally engaged in the:

- (a) establishment, maintenance and provision of telecommunications, infrastructure, and services;
- (b) provision of e-commerce, digital services, and solutions;
- (c) provision of management services to its subsidiaries; and
- (d) provision of mobile communications services and network transmission related services.

2.3 Related Parties

The Proposed Shareholders' Mandate will apply to the following classes of Related Parties:

- (a) Major Shareholders;
- (b) Directors; and
- (c) Persons Connected to such Major Shareholders and/or Directors.

2.4 RRPTs

The details of the RRPTs under the Proposed Renewal of Shareholders' Mandate are described in Appendix I of this Circular.

2.5 Details of Overdue Trade Receivables

The details of our Group's trade receivables pursuant to RRPTs which exceeded the credit term for the following periods as at the LPD are as follows:

Related party	Overdue RRPT receivables (RM'million)	Total	Aging of the outstanding amount			
			< 1 year	Between 1 to 3 years	Between 3 to 5 years	> 5 years
Axiata Group	International SMS revenue	0.4	0.4	-	-	-
	Managed Services including marketing and collection-related services	0.9	0.9	-	-	-
	Site infrastructure lease income	1.0	1.0	-	-	-
	Subtotal	2.3	2.3	-	-	-
DNB	Site infrastructure lease income	6.7	6.5	0.2	-	-
	Subtotal	6.7	6.5	0.2	-	-
Khazanah Group	Provision of Telecommunication Services	1.7	1.1	0.6	-	-
	Subtotal	1.7	1.1	0.6	-	-
TM Group	Leaseline / Bandwidth Leasing Revenue	1.0	1.0	-	-	-
	Site infrastructure lease income	0.1	0.1	-	-	-
	Provision of Telecommunication Services	0.6	0.6	-	-	-
	Subtotal	1.7	1.7	-	-	-
Telenor Group	International interconnect and roaming revenue	0.2	0.1	0.1	-	-
	International SMS revenue	1.9	1.9	-	-	-
	Leaseline / Bandwidth Leasing Revenue	0.2	0.2	-	-	-
	Provision of Telecommunication Services	0.2	0.2	-	-	-
	Subtotal	2.5	2.4	0.1	-	-
	Total	14.9	14.0	0.9	-	-

There are no late payment charges on the overdue trade receivables as our Group does not impose late payment charges. The management of our Company has and will continue to meet and discuss with the relevant Related Parties to pursue for early settlement of the outstanding amounts due. Our Board Audit Committee and our Board have reviewed the outstanding amounts and are of the opinion that the outstanding amounts were part of normal business operations of our Group and are recoverable. In addition, our management is of the view that the Related Parties are long term business counter-parties and have sound credit standing.

2.6 Review Procedures for RRPTs

To ensure that the RRPTs are entered into on an arm's length basis, are on terms not more favourable to the Related Parties than those generally available to the Public and are not detrimental to the minority shareholders, our Board Audit Committee has been tasked with the review and approval of such transactions.

We have established the following procedures and guidelines for the review and approval of the RRPTs.

- (i) A list of Related Parties is established and made available to the Related Party Review Committee chaired by the head of financial control of CelcomDigi Group, who shall monitor and ensure that all RRPTs to be entered into by us or our subsidiaries are required to be undertaken on an arm's length basis, on terms which are not more favourable to the Related Parties than those generally available to the Public, and which are not to the detriment of our minority shareholders.
- (ii) The processes and procedures are in place to ensure RRPTs are entered into after taking into account the pricing and contract rates, terms and conditions, level of service and expertise required, and the quality of products and services provided, are comparable to the prevailing market prices and rates, industry norms and standards, as well as general practices, adopted by the service providers of similar capacities and capabilities generally available in the open market.
- (iii) Process and systems are put in place to ensure proper records and supporting documents of the RRPTs are maintained so that all RRPTs entered into pursuant to the shareholders' mandate for submission to the auditors, Board Audit Committee and relevant authorities, where required, for review.
- (iv) Disclosures will be made in the annual report of the breakdown of the aggregate value of RRPTs pursuant to the shareholders' mandate during the financial year, amongst others, based on the following information:
 - (a) the type of the RRPTs made; and
 - (b) the names of the Related Parties involved in each type of the RRPTs made and their relationship with the Company.
- (v) All RRPTs are presented at our Board Audit Committee meetings. Our Board Audit Committee has the right to access information concerning our Related Parties and is entitled to the services of any independent adviser, if required, for the discharge of its duties.
- (vi) Our Board and Board Audit Committee have overall responsibility for determining whether the guidelines and procedures on the RRPTs are appropriate and sufficient. Arising from business needs, a review of the RRPTs processes and procedures will be carried out by our Board through the Board Audit Committee. If, during the review, the Board and the Board Audit Committee are of the view that the RRPTs processes and procedures are:
 - (a) no longer valid; or

- (b) insufficient to ensure that the RRPTs are made on arm's length basis or on terms not more favourable to the Related Parties than those generally available to the public and not to the detriment of our minority shareholders,

then, they shall have the discretion to change, vary, modify existing guidelines and procedures, or implement new or additional guidelines and procedures, provided that such amended, varied, modified, new or additional guidelines and procedures are no less stringent than the existing guidelines and procedures.

- (vii) At least two (2) other contemporaneous transactions with unrelated third parties for similar or substantially similar services will be used as comparison, whenever practical or possible, to determine whether the price and terms offered to or by the Related Parties are fair and reasonable and comparable to those offered to or by other unrelated third parties for the similar or substantially similar type of services. Where quotation or comparative pricing from unrelated third parties cannot be obtained, prices are determined based on market knowledge and on normal commercial terms in accordance with our Group's policies (which require amongst others) that transactions with Related Parties are undertaken on an arm's length basis and are not detrimental to CelcomDigi Group.
- (viii) Where any of our Board or our Board Audit Committee members has an interest (direct or indirect) in the RRPTs, he must declare his interest in the RRPTs and abstain from participating and deliberating in the decision of the Board or the Board Audit Committee on the said RRPTs.
- (ix) There is no deviation of 10% or more between the aggregated actual value transacted of the Recurrent Related Party Transactions and the aggregated estimated value pursuant to Paragraph 10.12 of the MMLR.

Subject to our Group's related parties transaction manual and limits of authority, RRPTs are reviewed and considered by our Board Audit Committee and are recommended to the Board for approval.

2.7 Statement by the Board Audit Committee

The Board Audit Committee have seen and reviewed the procedures stipulated under Section 2.6 of this Circular and is satisfied that the review procedures for the RRPTs are sufficient to ensure that the RRPTs will be carried out on normal commercial terms which are not detrimental or prejudicial to the interest of minority shareholders and the terms of the RRPTs are not more favourable to the Related Parties than those generally available to the Public.

The Board Audit Committee are of the opinion that the CelcomDigi Group has in place adequate procedures and processes to monitor, track, and identify RRPTs in a timely and orderly manner. The Board Audit Committee shall annually review the RRPTs and the procedures mentioned in the preceding paragraphs to ascertain the compliance by the Company.

3. RATIONALE AND BENEFITS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The rationale for and benefits of the Proposed Renewal of Shareholders' Mandate to the Group are as follows:

- (a) The Proposed Renewal of Shareholders' Mandate will facilitate transactions that have been and will be entered into with the Related Parties which are carried out in the ordinary course of business of the Group and are mainly for the support of the Group in its day-to-day operations. These transactions are made on an arm's length basis, on normal commercial terms and on terms which are not more favourable to the Related Parties than those generally available to the Public and are not detrimental to the interests of the minority shareholders.

- (b) The Proposed Renewal of Shareholders' Mandate will enhance the Group's ability to pursue business opportunities, which may be time-sensitive and frequent in nature, and it may be impracticable to seek shareholders' approval on a case-to-case basis before entering into such RRPTs.
- (c) The Proposed Renewal of Shareholders' Mandate will eliminate the need to make regular announcements or convene separate general meetings from time to time to seek shareholders' approval as and when the potential RRPTs arise, thereby reducing substantially the administrative time and cost associated in convening such meetings without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

4. CONDITION FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate is subject to the approval being obtained from the shareholders of the Company at the forthcoming 27th AGM.

5. EFFECT OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate is in relation to transactions which are of a revenue or trading nature and which form an integral part of our Group's day-to-day operations and hence, they contribute to our financial performance. The Proposed Renewal of Shareholders' Mandate will not have any effect on our issued share capital and our substantial shareholders' shareholdings in our Company. In addition, the Proposed Renewal of Shareholders' Mandate is not expected to have any material effect on our consolidated NA and consolidated earnings for the financial year ending 31 December 2024.

6. DIRECTORS, MAJOR SHAREHOLDERS' INTEREST AND/OR PERSONS CONNECTED TO THEM

Save as disclosed below and in Appendix I, none of the other Directors and/or Major Shareholders and Person Connected to them, has any direct or indirect interest as at the LPD, in the Proposed Renewal of Shareholders' Mandate:

	Direct		Indirect	
	No. of shares	%	No. of shares	%
Interested Directors				
Haakon Bruaset Kjoel ⁽¹⁾	-	-	-	-
Vivek Sood ⁽²⁾	-	-	-	-
Rita Skjaervik ⁽³⁾	-	-	-	-
Dr. Shridhir Sariputta Hansa Wijayasuriya ⁽⁴⁾	-	-	-	-
Kasper Wold Kaarbø ⁽⁵⁾	-	-	-	-
Interested Major Shareholders				
Axiata Group Berhad	3,883,129,144	33.10	-	-
Telenor Malaysia Investments Pte Ltd	3,883,129,144	33.10	-	-
Telenor South East Asia Investment Pte Ltd	-	-	3,883,129,144 ⁽⁶⁾	33.10
Telenor Asia Holding AS	-	-	3,883,129,144 ⁽⁷⁾	33.10
Telenor Mobile Holding AS	-	-	3,883,129,144 ⁽⁸⁾	33.10
Telenor ASA	-	-	3,883,129,144 ⁽⁹⁾	33.10
Khazanah Nasional Berhad	-	-	3,883,129,144 ⁽¹⁰⁾	33.10

Notes:

- ⁽¹⁾ *Haakon Bruaset Kjoel is a representative of Telenor Malaysia and also serves on the board of directors of several Telenor Group companies in Singapore and Grameenphone Ltd in Bangladesh.*
- ⁽²⁾ *Vivek Sood is a representative of Axiata. He is the Group Chief Executive Officer and Managing Director of Axiata.*
- ⁽³⁾ *Rita Skjaervik is a representative of Telenor Malaysia and is also part of the Telenor Group Executive Management as the company's Executive Vice President.*
- ⁽⁴⁾ *Dr. Shridhir Sariputta Hansa Wijayasuriya is a representative of Axiata. He is the Group Executive Director and Chief Executive Officer of Telecommunications Business of Axiata. He also sits on the boards of various subsidiaries of Axiata*
- ⁽⁵⁾ *Kasper Wold Kaarbø is a representative of Telenor Malaysia and is also part of the Telenor Group Executive Management as the company's Senior Vice President.*
- ⁽⁶⁾ *Deemed interested by virtue of its 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to subsection 8(4) of the Act.*
- ⁽⁷⁾ *Deemed interested by virtue of its 100% interest in Telenor South East Asia Investment Pte Ltd which has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to subsection 8(4) of the Act.*
- ⁽⁸⁾ *Deemed interested by virtue of its 100% interest in Telenor Asia Holding AS which has 100% interest in Telenor South East Asia Investment Pte Ltd, which in turn has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to subsection 8(4) of the Act.*
- ⁽⁹⁾ *Deemed interested by virtue of its 100% interest in Telenor Mobile Holding AS which has 100% interest in Telenor Asia Holding AS which has 100% interest in Telenor South East Asia Investment Pte Ltd, which in turn has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to subsection 8(4) of the Act.*
- ⁽¹⁰⁾ *Deemed interested pursuant to subsection 8(4) of the Act through its associate, Axiata.*

The interested Directors have abstained and will continue to abstain from deliberating and voting on the Proposed Renewal of Shareholders' Mandate at our relevant Board Meetings in respect of RRPT in which they are interested in. In addition, the interested Directors and interested Major Shareholders will abstain from voting in respect of their direct and indirect shareholdings in the Company at the forthcoming 27th AGM on the relevant ordinary resolutions to approve RRPTs involving their interests and/or interests of Persons Connected with them.

The interested Directors and interested Major Shareholders have also undertaken that they will ensure that Persons Connected with them will abstain from voting, deliberating on, and approving on the relevant ordinary resolutions in respect of RRPT in which they are interested in at the forthcoming 27th AGM.

Tengku Dato Sri Azmil Zahrudin Raja Abdul Aziz, the Chair of our Board is a nominee Director of Axiata. Notwithstanding that he may not have any interest in the RRPTs and he is not an interested Director within the meaning of Paragraph 10.02(k) of MMLR, he has voluntarily abstained from deliberation and voting on the relevant RRPTs at our Board Meetings involving the interests of his nominator.

7. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, with the exception of the interested Directors listed in Section 6 above after having considered all aspects of the Proposed Renewal of Shareholders' Mandate, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of CelcomDigi Group, fair, reasonable and on normal commercial terms, and not detrimental to the interest of the minority shareholders and recommends that you VOTE IN FAVOUR of the ordinary

resolutions pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 27th AGM.

8. AGM

The ordinary resolutions in relation to the Proposed Renewal of Shareholders' Mandate have been included in the Notice of the AGM. The AGM, the extract of the notice of which is enclosed in this Circular, will be held on Monday, 27 May 2024 at 10.00 a.m. to be conducted on a virtual basis through online meeting platform at <https://meeting.boardroomlimited.my> provided by the Poll Administrator using Remote Participation and Electronic Voting ("**RPEV**") facilities and live streaming from broadcast venue at Auditorium, Level Podium 6, Menara CelcomDigi, No. 6, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or at any adjournment thereof.

The Notice of AGM together with the Form of Proxy and Administrative Guides may be downloaded from our Company's website at <https://corporate.celcomdigi.com/annualreport>. Please read carefully and follow the procedures set out in the Administrative Guides to register, participate, and vote remotely via the RPEV facilities.

In the event that you are unable to attend and vote in person at the AGM, you are requested to complete, sign, and forward it to the Poll Administrator's office, Boardroom Share Registrars Sdn. Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia so as to arrive at least forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof. Alternatively, the Form of Proxy can be submitted electronically via <https://investor.boardroomlimited.com> before the Form of Proxy submission cut-off time as mentioned in above. The Form of Proxy should be completed strictly in accordance with the instructions contained therein. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so. The last day and time for you to lodge the Form of Proxy is on Saturday, 25 May 2024 at 10.00 a.m.

9. FURTHER INFORMATION

Please refer the attached Appendix II of this Circular, for further information.

Yours faithfully
For and on behalf of the Board
CELCOMDIGI BERHAD

Tan Sri Abdul Farid Alias
Chair of Board of Audit Committee

APPENDIX I – RECURRENT RELATED PARTY TRANSACTIONS

PARTICULARS OF THE RRPTS FOR SHAREHOLDERS' APPROVAL IN THE FORTHCOMING AGM

Transacting Companies in CelcomDigi Group	Transacting Related Parties	Interested Directors / Major Shareholders	Nature of Relationship	Nature of RRPT	2023 Shareholders' Mandate (AGM)		Estimated Value of the Proposed Renewal of Shareholders' Mandate ⁽²⁾ (RM'000)
					Estimated Value (RM'000)	Actual Value ⁽¹⁾ (RM'000)	
CelcomDigi Group	Telenor Group	<p>Interested Major Shareholder</p> <ul style="list-style-type: none"> Telenor Malaysia 	Telenor through its indirect wholly owned subsidiary, Telenor Malaysia, is an indirect Major Shareholder of CelcomDigi.	<p>Revenue:</p> <p>International interconnect and roaming revenue</p> <p>Bandwidth leasing revenue</p> <p>Total Revenue</p>	<p>40,803</p> <p>4,551</p> <p>45,354</p>	<p>9,324</p> <p>5,176</p> <p>14,500</p>	<p>23,521</p> <p>13,419</p> <p>36,940</p>
		<p>Interested Directors</p> <ul style="list-style-type: none"> Haakon Bruaset Kjoel Rita Skjaervik Kasper Wold Kaarbø 	The interested Directors are representatives of Telenor Malaysia on the Board of CelcomDigi and they hold directorships and/or other executive position(s) in Telenor Group.	<p>Expenses:</p> <p>Personnel services fees payable</p> <p>International interconnect and roaming cost</p> <p>IP Transit (Internet Upstream) expense</p> <p>Global Connectivity common services cost</p> <p>Services rendered on Enterprise Resource Planning and enterprise applications</p> <p>Business Security</p> <p>Bandwidth leasing expense</p> <p>Licenses and trademarks</p> <p>Managed services</p> <p>Cloud based software infrastructure services</p> <p>IT related services</p> <p>Total Expenses</p>	<p>2,400</p> <p>17,428</p> <p>1,904</p> <p>4,213</p> <p>6,156</p> <p>10,074</p> <p>3,509</p> <p>9,900</p> <p>112,547</p> <p>10,120</p> <p>-</p> <p>178,251</p>	<p>367</p> <p>11,054</p> <p>80</p> <p>1,263</p> <p>347</p> <p>5,839</p> <p>3,095</p> <p>6,750</p> <p>57,333</p> <p>5,206</p> <p>-</p> <p>91,334</p>	<p>-</p> <p>22,122</p> <p>151</p> <p>7,106</p> <p>6,739</p> <p>11,082</p> <p>5,720</p> <p>9,900</p> <p>89,627</p> <p>24,175</p> <p>395</p> <p>177,017</p>
				Total Revenue and Expenses	223,605	105,834	213,957

APPENDIX I – RECURRENT RELATED PARTY TRANSACTIONS

Transacting Companies in CelcomDigi Group	Transacting Related Parties	Interested Directors / Major Shareholders	Nature of Relationship	Nature of RRPT	2023 Shareholders' Mandate (AGM)		Estimated Value of the Proposed Renewal of Shareholders' Mandate ⁽²⁾ (RM'000)
					Estimated Value (RM'000)	Actual Value ⁽¹⁾ (RM'000)	
CelcomDigi Group	Axiata Group (including edotco Group)	<p><u>Interested Major Shareholders</u></p> <ul style="list-style-type: none"> • Axiata • Khazanah <p><u>Interested Directors</u></p> <ul style="list-style-type: none"> • Vivek Sood • Dr. Shridhir Sariputta Hansa Wijayasuriya 	<p>Axiata is the Major Shareholder of CelcomDigi.</p> <p>Axiata is a person connected to Khazanah, an indirect Major Shareholder of CelcomDigi. In addition, Khazanah through its wholly owned subsidiary, Mount Bintang Sdn. Bhd. is also the Major Shareholder of edotco Group.</p> <p>The interested Directors are representatives of Axiata on the Board of CelcomDigi, and they hold directorships and/or other executive position(s) in Axiata Group.</p>	<p>Revenue:</p> <p>Commission fees on content related services 33,254 13,747 11,407</p> <p>International SMS revenue 6,172 4,455 7,274</p> <p>International interconnect and roaming revenue 3,739 493 1,372</p> <p>IT related services 1,763 28 548</p> <p>Site infrastructure lease income 5,863 4,081 5,986</p> <p>Leased line / Bandwidth leasing 418 - -</p> <p>Provision of telecommunication services 523 30 1,332</p> <p>Cloud based software infrastructure services - - 304</p> <p>Total Revenue 51,732 22,834 28,223</p> <p>Expenses:</p> <p>Infrastructure leasing and related services 811,813 462,788 764,069</p> <p>IT related services 35,143 38,024 84,893</p> <p>International interconnect and roaming cost 24,458 11,809 22,248</p> <p>Managed services including marketing and collection related cost 17,394 6,775 7,287</p> <p>Licenses and trademarks 9,900 6,750 9,900</p> <p>Content related expenses 3,603 1,720 2,778</p> <p>Leased line / Bandwidth leasing expenses 715 345 2,629</p> <p>Universal Service Provision Projects - - 23,407</p> <p>Total Expenses 903,026 528,211 917,211</p>			
							Total Revenue and Expenses

APPENDIX I – RECURRENT RELATED PARTY TRANSACTIONS

Transacting Companies in CelcomDigi Group	Transacting Related Parties	Interested Directors / Major Shareholders	Nature of Relationship	Nature of RRPT	2023 Shareholders' Mandate (AGM)		Estimated Value of the Proposed Renewal of Shareholders' Mandate ⁽²⁾ (RM'000)
					Estimated Value (RM'000)	Actual Value ⁽¹⁾ (RM'000)	
CelcomDigi Group	Khazanah Group	<p><u>Interested Major Shareholder</u></p> <ul style="list-style-type: none"> • Khazanah • Axiata <p><u>Interested Directors</u></p> <ul style="list-style-type: none"> • Vivek Sood • Dr. Shridhir Sariputta Hansa Wijayasuriya 	<p>Khazanah is an indirect Major Shareholder of CelcomDigi.</p> <p>Axiata is a person connected to Khazanah.</p>	<p>Revenue:</p> <p>Provision of telecommunication services 31,913</p> <p>Cloud based software infrastructure 31,328</p> <p>Leased line / Bandwidth leasing 5,128</p> <p>Disposal of scrap 551</p> <p>Total Revenue 68,920</p> <p>Expenses:</p> <p>Site operating charges 4,206</p> <p>Leased line / Bandwidth leasing expenses -</p> <p>Infrastructure leasing and related services -</p> <p>Total Expenses 4,206</p>	<p>8,265</p> <p>35,389</p> <p>1,089</p> <p>227</p> <p>44,970</p> <p>540</p> <p>-</p> <p>-</p> <p>540</p>	<p>72,423</p> <p>27,750</p> <p>1,649</p> <p>428</p> <p>102,250</p> <p>1,740</p> <p>1,488</p> <p>12,694</p> <p>15,922</p>	
						Total Revenue and Expenses	73,126
CelcomDigi Group	DNB	<p><u>Interested Major Shareholder</u></p> <ul style="list-style-type: none"> • Khazanah • Axiata 	<p>Khazanah is an indirect major shareholder of CelcomDigi. In addition, Khazanah is a person connected to DNB as Ministry of Finance (Incorporated), a</p>	<p>Revenue:</p> <p>Site infrastructure lease income 5,885</p> <p>Expenses:</p> <p>Provision of 5G services 365,000</p>	<p>7,140</p> <p>91,830</p>	<p>9,899</p> <p>317,350</p>	

APPENDIX I – RECURRENT RELATED PARTY TRANSACTIONS

Transacting Companies in CelcomDigi Group	Transacting Related Parties	Interested Directors / Major Shareholders	Nature of Relationship	Nature of RRPT	2023 Shareholders' Mandate (AGM)		Estimated Value of the Proposed Renewal of Shareholders' Mandate ⁽²⁾ (RM'000)
					Estimated Value (RM'000)	Actual Value ⁽¹⁾ (RM'000)	
		<p>Interested Directors</p> <ul style="list-style-type: none"> Vivek Sood Dr. Shridhir Sariputta Hansa Wijayasuriya 	<p>body corporate established under the Minister of Finance (Incorporation) Act, 1957, is the holding company of DNB and Khazanah.</p> <p>Axiata is a person connected to Khazanah.</p> <p>The interested Directors are representatives of Axiata on the Board of CelcomDigi and they hold directorships and/or other executive position(s) in Axiata Group.</p>				
				Total Revenue and Expenses	370,885	98,970	327,249
CelcomDigi Group	TM Group	<p>Interested Major Shareholder</p> <ul style="list-style-type: none"> Khazanah Axiata 	Khazanah is an indirect major shareholder of CelcomDigi and a major shareholder of TM Group	<p>Revenue:</p> <p>Provision of telecommunication services</p> <p>Domestic interconnect and roaming revenue</p> <p>Leased line / Bandwidth leasing</p> <p>Site infrastructure lease income</p>	<p>6,474</p> <p>39,861</p> <p>6,770</p> <p>8,239</p>	<p>12,464</p> <p>11,241</p> <p>1,316</p> <p>5,431</p>	<p>12,724</p> <p>5,356</p> <p>2,322</p> <p>7,951</p>

APPENDIX I – RECURRENT RELATED PARTY TRANSACTIONS

Transacting Companies in CelcomDigi Group	Transacting Related Parties	Interested Directors / Major Shareholders	Nature of Relationship	Nature of RRPT	2023 Shareholders' Mandate (AGM)		Estimated Value of the Proposed Renewal of Shareholders' Mandate ⁽²⁾ (RM'000)
					Estimated Value (RM'000)	Actual Value ⁽¹⁾ (RM'000)	
		<p>Interested Directors</p> <ul style="list-style-type: none"> • Vivek Sood • Dr. Shridhir Sariputta Hansa Wijayasuriya 	Axiata is a person connected to Khazanah.	<p>Total Revenue</p> <p>Expenses: Leased line / Bandwidth leasing Domestic interconnect and roaming cost International interconnect and roaming cost Site operating charges</p> <p>Total Expenses</p>	<p>61,344</p> <p>312,744 6,102 22 57,941</p> <p>376,809</p>	<p>30,452</p> <p>254,045 4,147 579 31,783</p> <p>290,554</p>	<p>28,353</p> <p>400,263 7,994 1,091 56,884</p> <p>466,232</p>
					Total Revenue and Expenses	438,153	321,006
				Total	2,060,527	1,122,365	2,099,397

Notes:

- (a) The actual values above are for the period from the date of last AGM held on 23 May 2023 to the LPD.
- (b) The estimated values above are for the period from 27 May 2024 (date of the forthcoming 27th AGM) to the next AGM and are based on best estimates by our management taking into consideration of the historical trends of those transactions and projected business transaction growth. The actual value may vary, exceed or be lower than, the estimates shown above.

There is no deviation of 10% or more between the aggregated actual value and the aggregated estimated value pursuant to Paragraph 10.12 of the MMLR.

1. DIRECTOR'S RESPONSIBILITY STATEMENT

This Circular has been reviewed and approved by the Directors of the Company who individually and collectively accept full responsibility for the accuracy of the information provided in this Circular and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading or incorrect.

2. MATERIAL CONTRACTS

Save as disclosed below, neither the Company nor its subsidiaries have entered any contracts (*not being contracts entered into in the ordinary course of business*) within the two (2) years immediately preceding the date of this Circular:

(a) Conditional Share Subscription Agreement with DNB dated 7 October 2022

On 7 October 2022, Digi Tel and Celcom Mobile had each entered into a conditional share subscription agreement with DNB for the proposed subscription of:

- (i) 100,000 new ordinary shares in DNB; and
- (ii) 178.47 million DNB Rights to Allotment,

which represents 12.50% equity interest in the enlarged DNB each held by Digi Tel and Celcom Mobile for cash consideration of RM178.57 million, for a collective 25.00% equity interest in the enlarged DNB for a total cash consideration of RM357.14 million.

Under the terms of the conditional share subscription agreements entered into by Digi Tel and Celcom Mobile respectively with DNB, their collective equity interest in DNB shall not be more than 25% of the aggregate issued ordinary shares in DNB and granted DNB's rights to allotment.

Digi Tel and Celcom Mobile have terminated their respective conditional share subscription agreement with DNB effective on 3 May 2023.

(b) Conditional Share Subscription Agreement with DNB dated 1 December 2023

On 1 December 2023, Infranation Sdn Bhd, a wholly owned subsidiary of CelcomDigi, had entered into a conditional share subscription agreement with DNB and Ministry of Finance (Incorporated) ("**MOF Inc**") for the proposed transaction involving:-

- (i) Infranation Sdn Bhd subscribing 100,000 new ordinary shares in DNB at an issue price of RM1.00 for each DNB share; and
- (ii) Digi Tel, making a cash payment of RM233,233,333 to DNB as a prepayment for the 5G products and services to be delivered by DNB to Digi Tel which shall be regarded and treated as a shareholder advance by Infranation Sdn Bhd to DNB upon the completion of the Proposed Transaction.

3. MATERIAL LITIGATION

Save as disclosed below, as at the LPD, the CelcomDigi Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board confirms that to the best of its knowledge there are no proceedings pending or threatened against the CelcomDigi Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of the CelcomDigi Group.

**(a) Main Suit 1: Kuala Lumpur High Court Suit No. D1-22-1960-2008
Celcom and Celcom Resources (formerly known as Technology Resources
Industries Berhad) vs TSDTR & 7 Others- Conspiracy Suit**

On 24 October 2008, Celcom and Celcom Resources (also known as “**Plaintiffs**”) commenced proceedings in the High Court of Malaya in Kuala Lumpur against its former directors, namely (i) Tan Sri Dato’ Tajudin Ramli (“**TSDTR**”), (ii) Dato’ Bistamam bin Ramli (“**DBR**”), (iii) Dato’ Lim Kheng Yew (“**DLKY**”), (iv) Axel Hass (“**AH**”), (v) Oliver Tim Axmann (“**OTA**”), (vi) DeTeAsia Holding GmbH (“**DeTeAsia**”), and (vii) Beringin Murni Sdn. Bhd. (collectively referred to as “**Defendants**”).

The Plaintiffs are seeking damages for conspiracy. The Plaintiffs claim that the Defendants wrongfully and unlawfully conspired amongst each other to cause financial injury to the Plaintiffs by causing and/or committing the Plaintiffs to enter into the Supplemental Agreement to the Subscription Agreement and the Management Agreement dated 7 February 2002 (“**2002 Supplemental Agreement**”) and the Amended and Restated Supplemental Agreement dated 4 April 2002 with DeTeAsia (“**ARSA**”) which entitled DeTeAsia to renounce its right shares in Celcom Resources. Consequently, DeTeAsia exercised its renunciation of certain rights issue shares in favour of TSDTR and DBR at a significantly higher price than the prevailing value of the shares at that time.

On 23 June 2016, TSDTR and DBR, filed a statement of defence (“**Defence for Main Suit 1**”) and counterclaim against the Plaintiffs seeking among others:

- (i) payment of the sum of RM6,246.492,000.00 or alternatively the sum of RM7,214.909,224.01 together with interest, being the same amount claimed by TSDTR in a separate counterclaim filed in the Kuala Lumpur High Court Suit No. D2-22-673-2006 (known as the Danaharta Suit) which was subsequently withdrawn pursuant to a purported global settlement agreement which did not include the Main Suit 1 (“TSDTR and DBR’s Counterclaim against Main Suit 1”);
- (ii) pay all sums received by TM and Telekom Enterprise Sdn Bhd (“**Telekom Group**”) from dividends and other payments from the Plaintiffs to be assessed;
- (iii) withdraw all pending suits without liberty to refile and no order as to costs;
- (iv) restraint from executing judgment procured from the pending suits;
- (v) indemnify TSDTR and DBR against all liability, payments, loss, and damages incurred or suffered as a consequence or in relation to the pending suits;
- (vi) punitive, aggravated, and exemplary damages to be assessed for malicious prosecution; and
- (vii) interest and costs.

On 30 June 2016, AH, OTA and DeTeAsia filed their respective defences.

TM filed an application to intervene in the Main Suit 1 in light of the allegations made against TM in TSDTR and DBR’s counterclaim against Main Suit 1.

Following the decision of the Court of Appeal on 4 May 2017 in allowing TM’s appeal to be added as a defendant to TSDTR and DBR’s Counterclaim, TSDTR and DBR filed an application to amend their defence and counterclaims on 19 May 2017 which was dismissed by the High Court on 29 June 2017. On 24 July 2017, TSDTR and DBR filed an appeal to the Court of Appeal and that the appeal was fixed for hearing on 8 December 2017.

On 24 July 2017, TSDTR and DBR filed an appeal to the Court of Appeal and that the same was dismissed by the Court of Appeal on 8 December 2017 with costs of RM1,000.00 to the Plaintiffs and RM5,000.00 to Telekom.

TSDTR and DBR filed the Notice of Motion for leave to appeal to the Federal Court against the dismissal of the Court of Appeal's decision dated 2 January 2018 and the same has been dismissed by the Federal Court.

The trial in the High Court had proceeded commencing from 22 January 2018 up until 8 October 2021.

On 15 November 2021, the Plaintiffs and DeTeAsia have reached an amicable settlement without any admission as to liability in respect of this Main Suit 1. The Plaintiffs have discontinued this Main Suit 1 with no order as to costs and without liberty to file afresh against AH, OTA and DeTeAsia.

The hearing for oral submissions was held on 13 December 2022. The judge handed his decision on 10 February 2023. The decision is as per below.

**(b) Main Suit 2: Kuala Lumpur High Court Suit No. D5-22-610-2006
Celcom and Celcom Resources vs TSDTR & 8 Others- Indemnity Suit**

On 28 April 2006, Celcom and Celcom Resources (also known as "**Plaintiffs**") instituted a claim against nine (9) of its former directors (namely (i) TSDTR, (ii) DBR, (iii) DLKY, (iv) Dieter Sieber ("**DS**"), (v) Frank-Reinhard Bartsch ("**FRB**"), (vi) Joachim Gronau, (vii) Joerg Andreas Boy ("**JAB**"), (viii) AH, and (ix) OTA, (collectively referred to as the "**Defendants**").

The Plaintiffs are seeking an indemnification against the Defendants, for the sums paid by Celcom to DeTeAsia in satisfaction of the award granted in 2 August 2005 ("**Award**") by the Tribunal of the International Court of Arbitration of the International Chamber of Commerce in Paris ("**ICC**") alleging that the Defendants had breached their fiduciary duties by causing the Plaintiffs to enter into a Subscription Agreement dated 25 June 1996 with Deutsche Telekom AG ("**Subscription Agreement**") and the Amended and Restated Agreement dated 4 April 2002 between DeTeAsia and the Plaintiffs ("**ARSA**"). The defendants were inter alia, directors of the Plaintiffs at time of entry into the Subscription Agreement and ARSA.

In addition, the Plaintiffs have also made a claim against TSDTR only, for the return of the alleged unauthorised profits made by him, all monies received by the directors arising out of such breaches, losses, and damages in connection with the abovementioned agreements.

In summary, the Plaintiffs are seeking the following:

- (i) A declaration that the Defendants have acted in breach of their fiduciary duties and are liable to indemnify Celcom in relation to the sums paid out to DeTeAsia pursuant to the Award where the ICC found Celcom to be liable for the following:
 - (a) The sum of USD177.2 million (RM715.4 million) being the principal sum plus USD16.3 million (RM65.6 million) representing interest at the rate of 8% for the period from 16 October 2002 to 27 June 2003;
 - (b) The cost of arbitration amounting to USD0.8 million (RM3.3 million); and
 - (c) The sum of USD1.8 million (RM7.3 million) representing the legal costs.

- (ii) Damages for various breaches of fiduciary duties committed by them in relation to the entry into the Subscription Agreement and the ARSA
- (iii) The unauthorised profits claimed to have been made by TSDTR, amounting to RM446.0 million

On 23 June 2016, TSDTR and DBR served their defence and counterclaim. In the defence and counterclaim, TSDTR and DBR are seeking, among others, the following relief from the Plaintiffs:

- (i) pay the sum of RM6,246,492,000.00 or alternatively the sum of RM7,214,909,224.01 together with interest, being the amount claim by TSDTR in his counterclaim in Kuala Lumpur High Court Suit No: D2-22-673-2006 which was withdrawn pursuant to a global settlement;
- (ii) pay all sums received by TM and Telekom Enterprise Sdn Bhd ("**Telekom Group**") from dividends and other payments from the Plaintiffs to be assessed;
- (iii) withdraw all pending suits without liberty to refile and no order as to costs;
- (iv) restraint from executing judgment procured from the pending suits;
- (v) indemnify TSDTR and DBR against all liability, payments, loss and damages incurred;
- (vi) or suffered as a consequence or in relation to the pending suits;
- (vii) punitive, aggravated and exemplary damages to be assessed for malicious prosecution; and
- (viii) interest and costs.

On 30 June 2016, DS, FRB, JAB, AH and OTA served their Defence.

Following the decision of the Court of Appeal on 4 May 2017 in allowing TM's appeal to be added as a defendant to TSDTR and DBR's Counterclaim, TSDTR and DBR filed an application to amend their Defence and Counterclaims on 19 May 2017 which was dismissed by the High Court on 29 June 2017.

On 24 July 2017, TSDTR and DBR filed an appeal to the Court of Appeal and that the same was dismissed by the Court of Appeal on 8 December 2017 with costs of RM1,000.00 to the Plaintiffs and RM5,000.00 to Telekom.

TSDTR and DBR filed a notice of motion for leave to appeal to the Federal Court against the dismissal of the Court of Appeal's decision dated 2 January 2018 and the same has been dismissed by the Federal Court.

The trial in the High Court had proceeded commencing from 22 January 2018 up until 8 October 2021.

On 19 November 2021, the Plaintiffs and DeTeAsia have reached an amicable settlement without any admission as to liability in respect of this suit. The Plaintiffs have discontinued this suit with no order as to costs and without liberty to file afresh against DS, FRB, JAB, AH and OTA.

A hearing for oral submission was held on 13 December 2022. The judge handed his decision on 10 February 2023. The decision is as per below.

Decision of the High Court for Main Suit 1 and Main Suit 2 (collectively “Suits”)

On 10 February 2023, the High Court has decided Main Suit 1 and Main Suit 2 in favour of the Plaintiffs and also dismissed TSDTR and DBR’s counterclaims in both Suits with costs. On 29 July 2023, the High Court entered judgment against TSDTR and DBR in the Suits (“**Judgment**”) as follows: -

As against TSDTR: -

- (i) The sum of RM214,662,248.15 together with prejudgment interest at the rate of 5% per annum from 26 September 1996 to the date of full realisation.
- (ii) The sum of RM231,375,892.94 together with prejudgment interest at the rate of 5% per annum from 23 May 2002 to the date of full realisation.

As against TSDTR and DBR: -

- (i) The sum of USD232,000,000.00 together with prejudgment interest at the rate of 5% per annum from 27 January 2006 to the date of full realisation.
- (ii) Costs of RM2,621,500.00.

Settlement

On 29 November 2023, Celcom, Celcom Resources, TSDTR and DBR have reached an amicable settlement in respect of the Suits and the Judgment.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of CelcomDigi at Level 30, Menara CelcomDigi, No. 6, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia during the normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular up to the time set for convening the AGM:-

- (a) the Constitution of CelcomDigi;
- (b) the audited financial statements of CelcomDigi Group for the past 2 financial years and the latest unaudited results since the last audited financial statements;
- (c) the material contracts referred to in Section 2 of Appendix II; and
- (d) the relevant cause papers in respect of material litigation referred to in Section 3 of Appendix II.

Ordinary Resolution 7

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Berhad and its subsidiaries ("CelcomDigi Group") and Telenor ASA and its subsidiaries ("Telenor Group") ("Proposed Renewal of Shareholders' Mandate 1")

"THAT, subject to the provisions of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Telenor Group as set out in Appendix I of the Circular to Shareholders dated 16 April 2024 ("Circular"), which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and 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 and that such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 1 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 1."

Ordinary Resolution 8

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Axiata Group Berhad and its subsidiaries ("Axiata Group") ("Proposed Renewal of Shareholders' Mandate 2")

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Axiata Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and 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 and that such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 2 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 2."

Ordinary Resolution 9

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Khazanah Nasional Berhad and its related entities ("Khazanah Group") ("Proposed Renewal of Shareholders' Mandate 3")

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Khazanah Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and 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 and that such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 3 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 3."

Ordinary Resolution 10

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Digital Nasional Berhad ("DNB") ("Proposed Renewal of Shareholders' Mandate 4")

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with DNB as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and 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 and that such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 4 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 4."

Ordinary Resolution 11

Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Telekom Malaysia Berhad and its subsidiaries ("TM Group") ("Proposed Renewal of Shareholders' Mandate 5")

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with TM Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and 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 and that such approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 5 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 5."

