



**TIME DOTCOM BERHAD**

(Registration No. 199601040939 (413292-P))  
(Incorporated in Malaysia)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING (“EGM” OR THE “MEETING”) OF TIME DOTCOM BERHAD (“TDC” OR THE “COMPANY”) HELD ON A FULLY VIRTUAL BASIS, THROUGH LIVE STREAMING FROM THE BROADCAST VENUE AT TDC LOBBY, GROUND FLOOR, NO. 14, JALAN MAJISTRET U1/26, HICOM GLENMARIE INDUSTRIAL PARK, 40150 SHAH ALAM, SELANGOR DARUL EHSAN, MALAYSIA AND ENTIRELY USING THE REMOTE PARTICIPATION AND ELECTRONIC VOTING (“RPEV”) FACILITIES, VIA THE MEETING PLATFORM AT <https://meeting.boardroomlimited.my> (“MEETING PLATFORM”) ON THURSDAY, 15 JUNE 2023 AT 3.31 P.M. (MALAYSIA TIME)

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**PRESENT** : **Present at the Broadcast Venue:**

**Board of Directors (“Board”)**

Puan Elakumari Kantilal (*Chairman*)  
Encik Anthony Low Kim Fui

**Participated virtually using RPEV Facilities:**

**Board of Directors**

Encik Mark Guy Dioguardi  
Datuk Azailiza Mohd Ahad  
Puan Kuan Li Li  
Encik Selvendran Katheerayson  
Encik Afzal Abdul Rahim (*Commander-in-Chief (“CIC”)*)  
Encik Patrick Corso

**Chief Financial Officer**

Encik Shahnaz Farouque Jammal Ahmad

**Principal Adviser – Messrs. Maybank Investment Bank Berhad**

Encik David Cheah Eu Jin

**Independent Scrutineer – Messrs. SKY Corporate Services Sdn Bhd**

Puan Ivy Leong Shiak Wan

**Emcee**

Puan Natassha Anne Kaur

**IN ATTENDANCE** : **Company Secretary**  
Puan Chew Ann Nee (*present at the Broadcast Venue*)

**SHAREHOLDERS/  
PROXIES/  
CORPORATE  
REPRESENTATIVES** : As per the Summary of Attendance List using the RPEV Facilities

## **1. PRELIMINARY**

The Chairman of the Meeting, Puan Elakumari Kantilal ("**Chairman**") called the Meeting to order at 3.31 p.m. and welcomed all present at the broadcast venue and participated in the Meeting virtually using the RPEV Facilities.

The Chairman informed that the Meeting would be conducted fully virtually through live streaming from the broadcast venue and online remote voting using the RPEV Facilities via the Meeting Platform.

She then proceeded to introduce the Board members, the Company Secretary, the Chief Financial Officer as well as the representative from the Principal Adviser, Messrs. Maybank Investment Bank Berhad to the shareholders, proxies and corporate representatives (collectively, referred to as the "**Shareholders**").

## **2. QUORUM**

The requisite quorum being present, the Chairman declared the Meeting as duly convened.

## **3. NOTICE OF MEETING**

The notice dated 24 May 2023 convening the Meeting ("**Notice**"), which had been duly circulated to all the Shareholders and published within the prescribed period, was taken as read.

## **4. REMOTE E-POLLING PROCEDURES**

The Chairman then invited Puan Natassha Anne Kaur, the Emcee to provide the Shareholders with a short briefing on the proceedings of the Meeting.

The Emcee informed the Shareholders that the resolution tabled before the Meeting would be voted by poll using the online polling system via the RPEV Facilities. The Company had appointed Messrs. Boardroom Share Registrars Sdn Bhd ("**Boardroom**") as the Poll Administrator to conduct the online poll voting process, and Messrs. SKY Corporate Services Sdn Bhd as the Independent Scrutineers to verify the poll result of the Meeting. The Shareholders were invited to submit their questions relating to the resolution of the Meeting in real-time during the Meeting using the chat box through the Meeting Platform.

A short video by Boardroom was played to demonstrate to the Shareholders the functions available within the Meeting Platform and the Shareholders were then given a 1-minute testing window to cast their votes on a trial resolution.

Thereafter, the Chairman announced the commencement of the online voting session which would remain open until the closure of the voting session to be announced later.

## **5. PRESENTATION BY EXECUTIVE DIRECTOR**

Prior to the tabling of the resolution, the Chairman invited Encik Patrick Corso, an Executive Director of the Company to brief the Shareholders on the proposed establishment of a share grant plan of up to ten percent (10.0%) of the issued ordinary shares in TDC (excluding treasury shares, if any) ("**Proposed SGP**"). The Shareholders were also informed that Mr Patrick Corso would read out the Company's responses to the questions raised by Permodalan Nasional Berhad ("**PNB**") and the Employees Provident Fund ("**EPF**") received prior to the Meeting under the Question and Answer Session.

A copy of the presentation slides is attached as **Appendix A**.

## **6. AGENDA OF THE MEETING**

The Chairman thanked Encik Patrick Corso for his presentation and proceeded to the agenda of the Meeting.

The Chairman informed the Shareholders that the agenda of the Meeting was to seek the approval of the Shareholders for the ordinary resolution pertaining to the Proposed SGP. The details of the Proposed SGP were set out in the Circular to Shareholders dated 24 May 2023.

## **7. QUESTION AND ANSWER SESSION**

The Chairman informed that the Company had received several questions posed by Shareholders and that the Company would endeavour to answer all the questions raised. In the event of time constraints, the Company would respond to questions received from the Shareholders via email.

The Chairman then proceeded to invite Encik Patrick Corso to address the questions received.

Thereafter, the CIC was invited to provide more clarification on the questions raised by PNB and EPF.

All the questions raised by the Shareholders during the Meeting were duly answered by Encik Patrick Corso.

The questions and answers in response to the above are attached as **Appendix B**.

Upon conclusion of addressing the questions, Encik Patrick Corso handed the Chair back to the Chairman.

## **8. VOTING SESSION**

The Chairman announced that the online voting session would close in 5 minutes and the Shareholders were reminded to submit their votes.

The Chairman informed the Shareholders that she had been appointed to act as proxy for a number of shareholders and that she would vote in accordance with the voting instructions given. She then adjourned the Meeting until the casting and verification of votes were completed.

## 9. ANNOUNCEMENT OF POLL RESULT

The Chairman called the Meeting to order for the announcement and declaration of the poll result of the Meeting. She invited the Company Secretary to read out the poll result of the Meeting to the Shareholders. The poll result of the Meeting was shown as below:

	Voted For		Voted Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution – Proposed SGP	1,225,502,130	87.0627	182,105,907	12.9373

Based on the poll result of the Meeting, the Chairman then declared that the ordinary resolution as set out in the Notice was duly passed as follows:

### ORDINARY RESOLUTION

**“THAT** subject to the approvals of the relevant authorities and/or parties (where applicable) being obtained and to the extent permitted by law and the Constitution of the Company, approval be and is hereby given to the Board of Directors of the Company (**“Board”**) to:

- (i) establish and implement the Proposed SGP which comprises a share grant plan of up to ten percent (10.0%) of the issued Shares (excluding treasury Shares, if any) at any point in time during the duration of the Proposed SGP (which will be valid for ten (10) years) for the employees and Executive Directors of the Company and its subsidiaries (excluding subsidiaries which are dormant) (**“TDC Group”**) who fulfil the eligibility criteria which will be stipulated in the by-laws governing the Proposed SGP (**“By-Laws”**). The Proposed SGP will be implemented and administered by a committee to be established and approved by the Board, comprising a number of Directors and/or senior management of the TDC Group (**“Scheme Committee”**). The Scheme Committee will have the sole and absolute discretion in administering the Proposed SGP in accordance with the By-Laws, a draft of which is set out in Appendix I of the circular to shareholders of the Company in relation to the Proposed SGP dated 24 May 2023 (**“Circular”**);
- (ii) allot and issue such number of new TDC Shares and/or transfer existing TDC Shares and/or transfer TDC Shares held in treasury (if applicable) and/or make cash payment, from time to time and at any time during the duration of the Proposed SGP, pursuant to the vesting of the grants under the Proposed SGP, in accordance with the By-Laws:
  - (a) provided that the total number of TDC Shares which may be made available under the Proposed SGP shall not exceed ten percent (10.0%) of the total number of issued Shares (excluding treasury Shares, if any) at any point in time during the duration of the Proposed SGP; and
  - (b) that such new TDC Shares shall, upon allotment and issuance, rank equally in all respects with the then existing TDC Shares except that the new TDC Shares shall not be entitled to any voting rights, dividends, rights, allotments, entitlements and/or any other distributions that may be declared, made or paid, for which the record date precedes the date of allotment and issuance of the new TDC Shares;
- (iii) establish a trust to be administered by the trustee (**“Trust”**) to be appointed by the Company from time to time for the administration of the Trust (**“Trustee”**), in accordance with the terms and conditions of a trust deed to be executed between the Trustee and the Company, to facilitate the implementation and administration of the Proposed SGP and be entitled from time to time to the extent permitted by law and as

set out under the By-Laws to accept funding and/or assistance, financial or otherwise from the Company, the subsidiaries of the Company and/or third parties to enable the Trustee to subscribe for new TDC Shares, acquire existing TDC Shares and/or receive treasury Shares for the purpose of the Proposed SGP and to pay expenses in relation to the administration of the Trust, if required;

- (iv) add, delete, modify and/or amend all or any part of the terms and conditions as set out in the By-Laws from time to time as may be permitted or deemed necessary by the Board or the Scheme Committee, provided that such additions, deletions, modifications, and/or amendments are effected in accordance with the provisions of the By-Laws; and
- (v) do all such acts and things and to execute all such documents and enter into all such transactions, arrangements, agreements, instruments, deeds and/or undertakings, to make all such rules or regulations, or to impose all such terms and conditions and/or delegate part of its power and to generally exercise such powers and perform such acts as may be necessary or expedient to give full effect to the Proposed SGP and the terms of the By-Laws;

**THAT** pursuant to Section 85 of the Companies Act 2016 (“**Act**”) read together with Rule 15 of the Constitution of the Company, approval be and is hereby given to waive the statutory preemptive rights of the shareholders of the Company to be offered new TDC Shares ranking equally to the existing issued TDC Shares arising from any allotment and issuance of new TDC Shares pursuant to the Proposed SGP;

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

**AND THAT** the Board be and is hereby empowered and authorised to take such steps and to do all such acts, deeds and things, and to execute, sign, deliver and cause to be delivered on behalf of the Company, all such agreements, arrangements and documents as the Board may deem fit, necessary, expedient or appropriate in order to implement, finalise and give full effect to the Proposed SGP and the terms of the By-Laws, with full powers to approve, agree and/or assent to any term, condition, variation, modification and/or amendment in any manner as may be required by the relevant authorities and/or parties or as may be deemed necessary and/or expedient by the Board in the best interest of the Company, and to deal with all matters incidental to, ancillary to and/or relating to the Proposed SGP.”

## **10. CLOSE OF MEETING**

There being no other business to be transacted, the Chairman declared that the EGM concluded at 4.40 p.m. and thanked the Board, the Principal Adviser, the Shareholders and the invitees who participated in the Meeting.

**CONFIRMED AS A TRUE AND ACCURATE RECORD OF THE PROCEEDINGS THEREOF**

- Signed-

.....  
**ELAKUMARI KANTILAL**  
**CHAIRMAN**

Dated this 18<sup>th</sup> day of July, 2023  
Selangor Darul Ehsan

time™

APPENDIX A

# EXTRAORDINARY GENERAL MEETING

15 June 2023



# DISCLAIMER

This presentation and the discussion following may contain forward looking statements by TIME dotCom Berhad (“Time” or the “Company”) related to financial, market or industry trends for a future period.

These forward-looking statements involve known and unknown risks and uncertainties which may cause the actual performance, results and outcomes to be different than that expressed in this presentation.

The statements are made based on facts and information available to Time at the date of the presentation and merely represent an expression of Time management’s views, targets and occurrences of future events. They do not in anyway represent a forecast, projection, estimate or guarantee of Time’s future performance and neither have they been independently verified.

Accordingly, no representation or warranty, express or implied is made to, and no reliance should be placed on the fairness, accuracy and completeness of such information. Time and its subsidiaries, representatives and officers shall have no liability whatsoever for any loss, damage, costs and expenses arising out of or in connection with this presentation.

# PROPOSED ESTABLISHMENT OF SHARE GRANT PLAN



The Company proposes to establish and implement a share grant plan of up to ten percent (10.0%) of the issued ordinary shares of Time (excluding treasury shares, if any) (the “Proposed SGP”)

<b>Duration</b>	<ul style="list-style-type: none"><li>• 10 years</li></ul>
<b>Size</b>	<ul style="list-style-type: none"><li>• Maximum 10% of the Company’s total number of issued shares (excluding treasury shares, if any) at any point in time</li></ul>
<b>Eligibility</b>	<ul style="list-style-type: none"><li>• Confirmed employees and executive directors of Time and its non-dormant subsidiaries</li><li>• Any other criteria as determined by the Scheme Committee</li><li>• Not open to non-executive directors of Time</li></ul>



To recognise, reward and retain employees who are contributing towards achieving our Group's business objectives

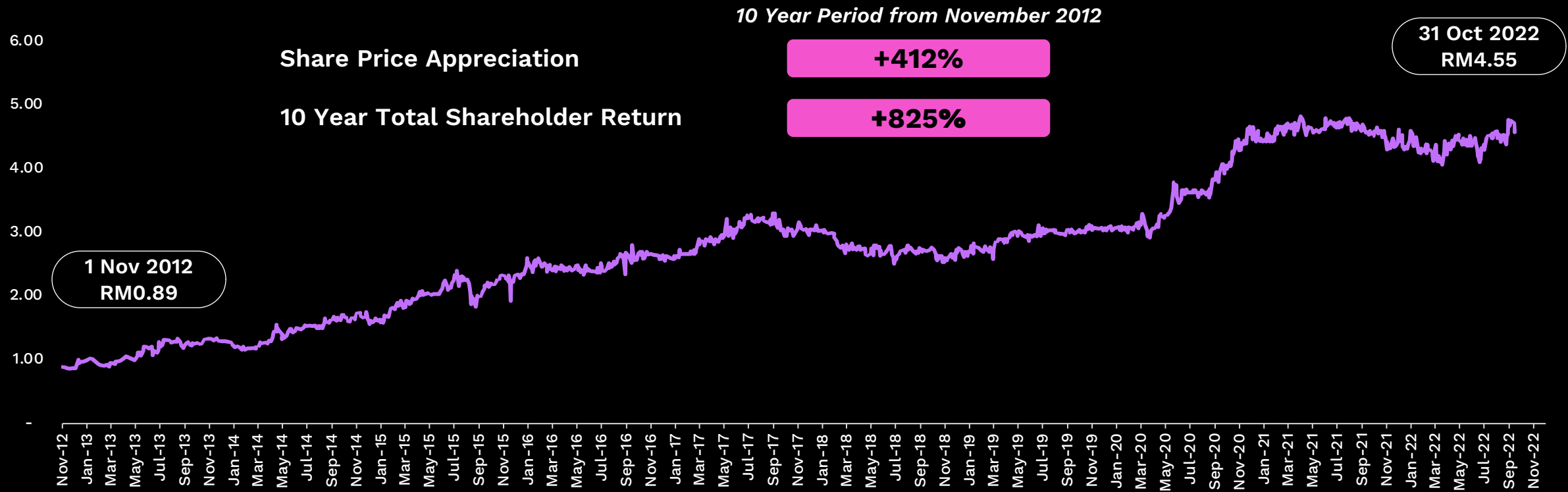


To align the interests of employees with those of shareholders in creating long-term shareholder value growth

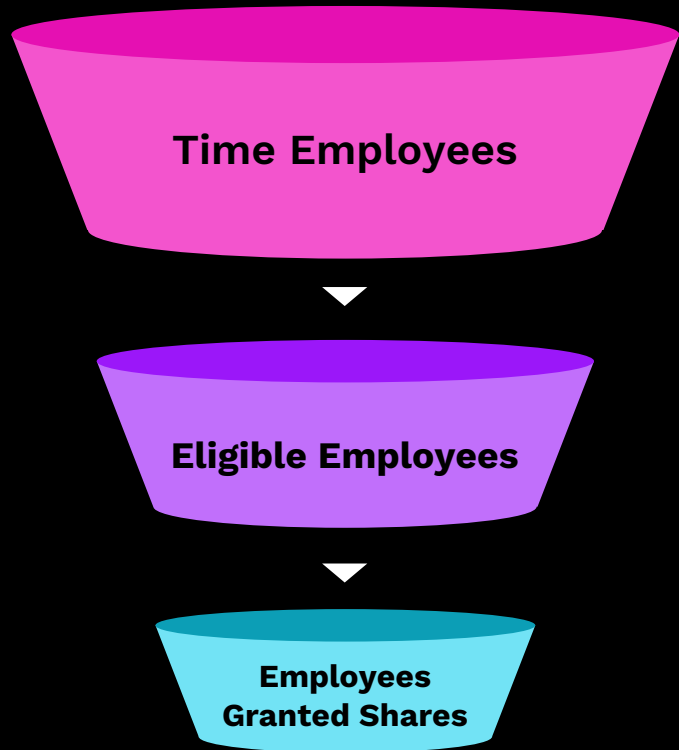


To ensure that our Group's total compensation is competitive to attract and retain key talents

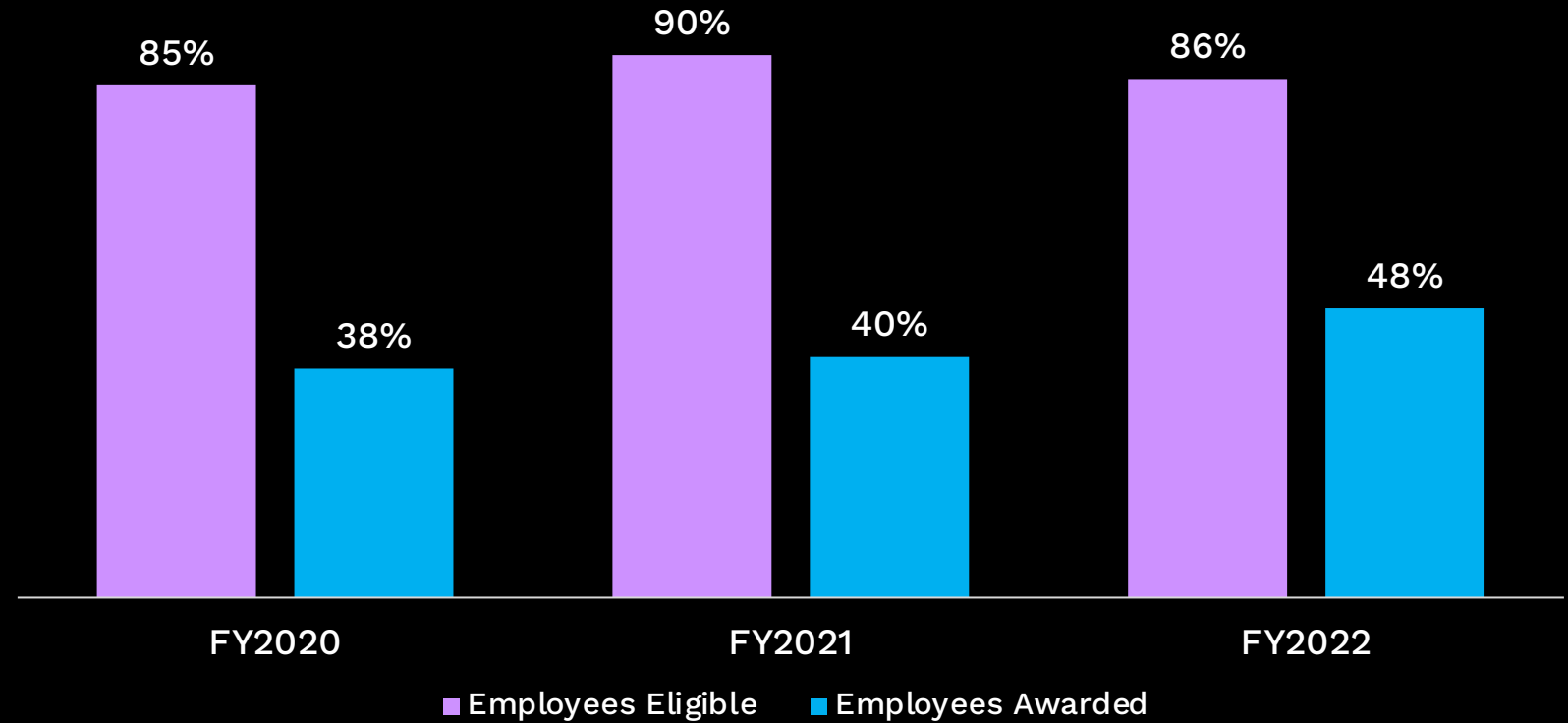
# Share Price Performance During Previous SGP



# The Proposed SGP Will Continue to be Open to A Large Number of Employees



**% of Eligible Employees and Awarded Shares FY2020-2022**  
*(under previous SGP)*



### Implementation & Administration

- The Proposed SGP will be governed by the By-Laws
- Operational administration of the Proposed SGP will lie with the Scheme Committee
- The Scheme Committee will be established and approved by the Board
- The Scheme Committee will consist of both independent directors and executive directors of Time

### Deliberation

The members of the Scheme Committee:

- (i) shall not participate in any deliberation or discussion; and/or
- (ii) shall abstain from making/voting on any resolution in relation to their own allocations and/or allocations to persons connected with them

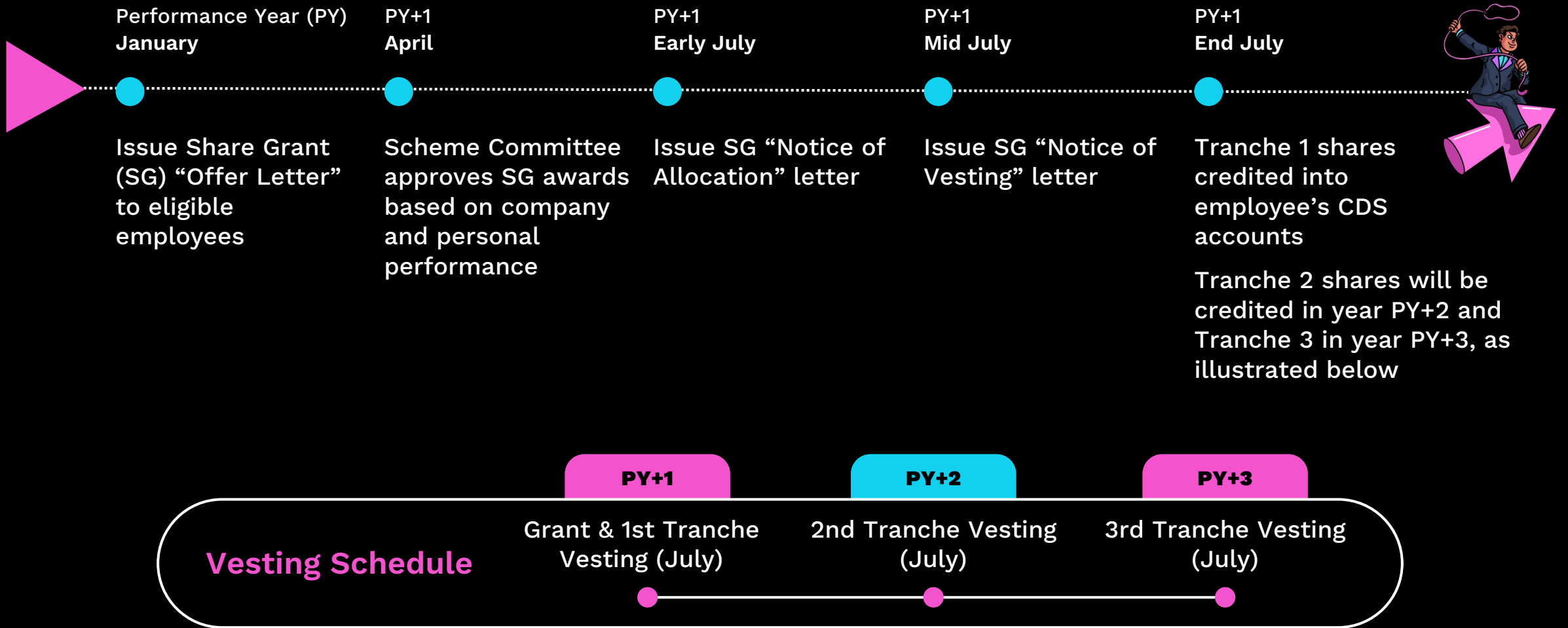
### Allocation of Shares

- Share allocation to be determined at the sole discretion of the Scheme Committee
- Allocation subject to employees meeting the SGP's terms & conditions, laws and guidelines
- Allocation to an eligible employee who, either singly or collectively through persons connected with them, holds 20% or more of the total number of issued shares (excluding treasury shares), can not exceed 10% of the total number of shares to be issued under the Proposed SGP

### Settlement

- Share grant can be satisfied by the issuance of new shares, purchase of existing shares from the market, transfer of treasury shares, cash or any combination of the above
- No proceeds to the Company

# Share Grant and Vesting Schedule - Illustration



### **1** Bursa Securities

For the listing and quotation of up to ten percent (10.0%) of the issued shares (excluding treasury shares, if any) to be issued pursuant to the Proposed SGP on the Main Market of Bursa Securities

✓ **Obtained on 3 May 2023**

### **2** Bursa Malaysia Depository Sdn Bhd

For the transfer of treasury Shares and/or the existing Shares to the grantees pursuant to the Proposed SGP at any point in time during the duration of the Proposed SGP, if required

### **3** Shareholders of the Company

At this EGM, the ordinary resolution being tabled for your approval is in relation to the proposed establishment of a share grant plan of up to ten percent (10.0%) of the issued shares (excluding treasury shares, if any)

### **4** Others

Any other relevant authorities and/or parties, if required



**THANK YOU**

## Issued share capital

The Proposed SGP will not have any immediate effect on the issued share capital of the Company. However, the issued share capital of the Company may increase progressively depending on the number of new Shares to be allotted and issued pursuant to the vesting of Shares comprised in the grant under the Proposed SGP.

## Substantial shareholders' shareholding

The Proposed SGP will not have any immediate effect on the shareholding of the substantial shareholders of TDC until such time as and when the new Shares are allotted and issued, pursuant to the vesting of the Shares comprised in the grant under the Proposed SGP. Any potential effect on the shareholding of the substantial shareholders of TDC in the future would also depend upon the mode of settlement of the grant at the date of vesting.

## Net assets ("NA"), NA per Share and gearing

The Proposed SGP will not have any immediate material effect on the consolidated NA, NA per Share and gearing ratio until such time as and when the new Shares are allotted and issued pursuant to the vesting of the Shares comprised in the grant under the Proposed SGP. Any potential dilution on the consolidated NA per Share will depend on the number of new Shares to be issued.

## Earnings and earnings per Share ("EPS")

Under the Malaysian Financial Reporting Standard 2 on Share-based Payment as issued by the Malaysian Accounting Standards Board, the potential cost of awarding the grant under the Proposed SGP after taking into account, among others, the price of the Shares, will need to be measured at fair value on the date of the grant and recognised as an expense in the consolidated statement of comprehensive income over the vesting period in which the employees render their services. The extent of the effect of the Proposed SGP on the TDC Group's earnings and EPS cannot be determined at this juncture as it depends on various factors that affect the fair value of the Shares as at the respective dates of the grant, and the mode of settlement of the grant.

## Convertible securities

As at 28 April 2023, save for the 1,980,000 outstanding share options granted to Patrick Corso, Time does not have any other convertible securities in issue.



**TIME DOTCOM BERHAD**  
 (Registration No. 199601040939 (413292-P))  
 (Incorporated in Malaysia)

**QUESTIONS RECEIVED FROM THE SHAREHOLDERS, PROXIES OR CORPORATE REPRESENTATIVES DURING THE EXTRAORDINARY GENERAL MEETING (“EGM”) OF TIME DOTCOM BERHAD (“TDC” OR THE “COMPANY”)**

No.	Question	Response / Answer
1.	Dear Sir, since there were no goodies for the shareholders, kindly let the shareholders vote first. Thank you.	<p>The Company had received several questions regarding door gifts or vouchers for participation in the EGM.</p> <p>The shareholders were advised to refer to Note 7 of the Administrative Details for the EGM sent to the shareholders together with the Notice of EGM dated 24 May 2023 that there would be no distribution of door gifts or e-vouchers for shareholders/proxies who participate in the EGM.</p> <p>With regard to the voting, shareholders were able to start voting after the test resolution process was carried out at the beginning of this Meeting.</p>
2.	Would the Company declare any quarterly dividends and bonus issue as a replacement for the door gift?	<p>The Company had paid out dividends totaling 31.03 sen per share in both ordinary and special dividends for the financial year ended 31 December 2022. Furthermore, in May 2023, the Company paid out a special dividend of 54.40 sen per share for the financial year ending 31 December 2023.</p> <p>There was no immediate plan for a bonus issue since the last bonus issue exercise undertaken by the Company in 2021.</p>
3.	Why did the Company keep doing placements?	<p>The proposal for the EGM was a share grant plan (“<b>SGP</b>”) and not necessarily a placement.</p> <p>Whilst it might involve the issuance of new shares to the employees over the 10-year period assuming various criteria were met, the overall intention of the SGP was to recognise, reward and retain employees and to align the interests of</p>

No.	Question	Response / Answer
		employees with those of shareholders in creating long-term shareholder value growth.
4.	<p><u>Permodalan Nasional Berhad (“PNB”)</u></p> <p>We were writing to address the Proposed SGP and express our appreciation for its purpose in incentivising and recognising exceptional employees who contribute to the Company's financial performance and sustainable growth.</p> <p>However, we had concerns pertaining to the lack of disclosure regarding the vesting schedule in the circular. A clear description of the vesting schedule was crucial to align the interests of shareholders and management when determining equity-based awards.</p> <p>To address this, we strongly recommend establishing a minimum vesting period of at least two years, or potentially longer. This ensures that employees were rewarded based on their performance and long-term contributions, fostering sustained effort, productivity, and commitment to achieving organisational objectives.</p> <p>Furthermore, implementing a vesting period would demonstrate the Company's commitment to sustainable growth and responsible governance practices. It would showcase a focus on rewarding employees based on long-term performance and enhancing shareholder confidence, attracting potential investors, and positively impacting the Company's reputation.</p> <p>We kindly request your earnest consideration of this recommendation and urged you to take the necessary steps to develop and implement a clear vesting schedule for the proposed SGP. We believed that such an initiative would yield significant benefits for the Company and its stakeholders.</p>	<p>The Company thanked PNB for their feedback and suggestion.</p> <p>As part of the presentation, the Company had clearly illustrated the vesting schedule and its implementation for the proposed SGP. The Company was also happy to report that the vesting period aligns with the minimum 24 months as suggested.</p>

No.	Question	Response / Answer
5.	<p><u>Employees Provident Fund (“EPF”)</u></p> <p>Good evening,</p> <p>I am posting this on behalf of EPF.</p> <p>The EPF had formally conveyed its deep concern regarding the disclosure of the proposed SGP to the Chairman through a letter. Moreover, in the spirit of transparency, the EPF had vehemently insisted on the imperative reading of the letter during this EGM by the Board.</p> <p>Herein below, we present the full content of the aforementioned letter that was sent to the Board to be made available to the public:</p> <p>“Dear Madam,</p> <p><u>EPF VOTING DECISION AT TDC’S EGM</u></p> <p>Reference is made to the EGM of TDC which will be held on 15 June 2023.</p> <p>The EPF acknowledges and commends the exceptional performance of TDC throughout the past decade, resulting in remarkable returns for shareholders. The EPF also recognises the alignment of this performance with the previous SGP.</p> <p>However, it is imperative for EPF to emphasise the paramount importance of fair and transparent practices, particularly when investee companies communicate with the public. While expressing appreciation for TDC's accomplishments, the EPF urges all investee companies, including TDC, to continuously strive for elevated standards not only in financial performance but also in governance.</p> <p>Consequently, EPF kindly requests TDC to augment the disclosure of vital details pertaining to the future SGP, specifically those falling within the purview of the Scheme Committee. EPF would like to see improvement in disclosure in some aspect of the SGP, encompassing but not limited to:</p> <ul style="list-style-type: none"> <li>Clearly defined Key Performance Indicators (“KPIs”) that delineate the</li> </ul>	<p>The Company was aligned with EPF especially in relation to having a clear and transparent disclosure to its shareholders in order for them to take an informed view on the proposed SGP.</p> <p>As part of the presentation, the Company had already covered among others, the selection process of the Scheme Committee, its composition and the past members that had served on it. The Company had also laid out the vesting parameters, vesting period and vesting schedules.</p> <p>In terms of KPIs, historically, the Company had focused on profit before tax growth and would continue to see it as a component of the KPI moving forward. However, the Company also expressed that it was appropriate to provide flexibility to the Scheme Committee, allowing them to amend and dictate those KPIs based on the needs of the Company at that particular point in time or the medium-term objectives of the Company.</p>

No.	Question	Response / Answer
	<p>objectives and timeframe for achievement, applicable to both the company and eligible employees;</p> <ul style="list-style-type: none"> <li>• Transparent and well-defined vesting parameters, including the vesting period, vesting price, and vesting schedule;</li> <li>• The selection process for the Scheme Committee, along with due consideration of the past members who have served on the committee.</li> </ul> <p>The EPF believes that it is of utmost importance that the Scheme Committee is structured in a fair and transparent manner so that the interests of all stakeholders are aligned.</p> <p>With utmost respect, the EPF also kindly requests that TDC shares the aforementioned comments along with its responses to all attendees during the upcoming EGM. In addition, the EPF would require a written response to our request as well.</p> <p>Thank you.”</p>	
6.	In the worst-case scenario, what was the dilutive impact on ordinary shareholders?	The maximum number of TDC shares that might be made available under the proposed SGP would be ten percent (10.0%) of the issued ordinary shares in TDC (“ <b>TDC Shares</b> ”) (excluding treasury shares, if any) at any point in time during the duration of the proposed SGP. As a point of reference, in the previous SGP over a 10-year period, there had been around 4% of TDC Shares issued out of the 10% approved.
7.	How would the implementation of the SGP potentially impact the Company's capital structure and existing shareholders' equity?	<p>The proposed SGP would not have any immediate effect on the issued share capital of the Company. However, the issued share capital might increase progressively depending on the number of new TDC Shares to be allotted and issued pursuant to the vesting of TDC Shares comprised in the grant under the proposed SGP.</p> <p>Although there would be a dilutive effect on the existing shareholders by virtue of the additional TDC shares to be allotted and issued, the Company would seek to</p>

No.	Question	Response / Answer
		ensure that this would happen only in situations where there was a growth in the value of the shares and the Company.
8.	<p>Could you share TDC's remuneration plan?</p> <p>Weren't the employees paid a premium already vis-a-vis the other telecommunication companies ("Telcos")? If so, why the need for a share grant scheme?</p> <p>Please also share the statistics on employee turnover at the organisation, was it reaching a worrisome proportion?</p>	<p>The Company's remuneration package consisted 3 main components, namely the fixed monthly salary, the performance-based annual bonus and the SGP. Each is a distinct component of the Company's compensation package.</p> <p>Whilst the monthly salary rewards the employees for the current work done, the annual bonus is an annual incentive scheme for short-term targets whereas the SGP is for incentivising medium to long-term targets. Each of the remuneration components plays its own meaningful role in the overall compensation and the Company deems it appropriate and necessary to have them in place.</p> <p>TDC does not believe that it pays a premium in terms of base salaries compared to other Telcos. However, the Company heavily incentivises its employees and provides pay-for-performance in order to attract top performers to work for TDC.</p> <p>The attrition rates of the Company were 9.90% in the financial year 2020, 15.90% in the financial year 2021 and 18.90% in the financial year 2022. Those rates were mainly due to the effects of the pre and post-pandemic period. However, at present, the Company did not see any concerns regarding employees' turnover.</p>
9.	<p>Instead of a share grant scheme, isn't it more pertinent to reward the staff with equitable bonuses to be aligned with the performance of the organisation?</p> <p>Bonuses would reflect best the endeavor of the employees, any slack in performance would have a downward spiral of the bonuses.</p>	<p>Bonuses played an important role and distinct role in the overall compensation scheme. However, the Company also believed in the importance of a SGP.</p> <p>The proposed SGP was intended to recognise, reward and retain eligible employees who were contributing towards achieving TDC Group's business objectives. It aims to motivate eligible employees to put in their best effort towards achieving superior performance which would in turn create and enhance value to the shareholders of the Company. It was also to ensure that TDC</p>

No.	Question	Response / Answer
		Group's compensation mix was aligned with the industry and competitive to attract and retain talents.
10.	If indeed TDC's remuneration policy was not competitive since the EBITDA was healthy, what was stopping the Company from reviewing the remuneration policy?	<p>The Company clarified that although it paid lower base salaries compared to its competitors, the overall compensation structure remained competitive.</p> <p>In addition, the Company constantly reviews its remuneration policy, which includes base salaries, benefits and bonuses in order to attract and retain key talents while staying competitive.</p>

**Encik Afzal Abdul Rahim, Commander-in-Chief ("CIC") provided clarification in response to the questions posed by PNB and EPF**

Question	Response / Answer
Reference was made to the questions posed by PNB and EPF under items 4 and 5 above.	<p>The CIC expressed his thanks to PNB and EPF for their comments and feedback on the proposed SGP.</p> <p>He provided clarification that the Company would only be able to publish questions from watch groups such as the Minority Shareholders Watch Group (MSWG) under the Company's presentation during the general meeting(s). He further explained that, in terms of governance, it was not appropriate for the questions from PNB and EPF to take priority over the questions from other shareholders. Therefore, PNB and EPF were requested to post their questions during the question and answer session (Q&amp;A), to which the Company would be pleased to respond as it has indeed done.</p> <p>The CIC also objected to the inference of "deep concern" mentioned by EPF, stating that it was inappropriate. He emphasised that the disclosure for the proposed SGP was in accordance with the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad and aligned with current market practices.</p> <p>He explained that a clear set of KPIs had been set out for the past 10 years during the duration of the previous SGP. One of the KPIs specifically focused on the growth of the Company's profit before tax, which had a direct impact on the total shareholders' return, profits and dividends. In addition, the Executive Directors who were also members of the Scheme Committee had refrained from participating in the SGP to ensure effective administration and governance of the process. The CIC reiterated that, similar to the previous SGP, the KPIs for the proposed SGP would be clear, defensible and independent.</p>



Question	Response / Answer
	<p>In relation to the Scheme Committee, the CIC informed that the proposed SGP would span over the course of a 10-year period and therefore, it was imperative for the Company to have flexible parameters as opposed to ones that were static that could be adjusted to align with changing market conditions and shareholders' expectations.</p> <p>The Scheme Committee would be established to ensure absolute transparency and objectivity in the issuance of TDC Shares. It was highlighted that the members of the Scheme Committee would be recommended by the Nomination and Remuneration Committee for the Board's consideration and approval.</p> <p>The CIC also conveyed the reason for implementing an extended vesting period for the SGP, which was aimed at retaining the Company's employees. He mentioned that the SGP would be made available to all employees of TDC Group who have fulfilled the eligibility criteria.</p> <p>The CIC acknowledged that there had been a change in the market sentiment, preferring cash payouts over shares. However, he informed that upon conducting in-depth research on share ownership, it was noted that one of the main positive responses received regarding the SGP was that even junior employees would be able to experience a sense of ownership in the Company. This, in turn, creates a collective culture and sense of ownership within the Company.</p> <p>It was highlighted that TDC was a smaller-sized company compared to most of the other publicly-listed Telcos. As such, it was the Company's objective to focus on pay-for-performance. Whilst the Company had one of the lowest fixed pay rates, it encouraged its employees to be remunerated based on their performance. It was mentioned that further intrinsic details could not be disclosed, as it would cause the Company to lose its employment competitiveness.</p> <p>The CIC concluded and expressed the Company's willingness to continue to engage with PNB and EPF to clarify the proposed SGP.</p>