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TIMETM

TIME DOTCOM BERHAD

(Company No. 413292-P)

(Incorporated in Malaysia under the Companies Act, 1965)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

PART A

PROPOSED SHAREHOLDERS' MANDATE TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES

PART B

- (I) PROPOSED ESTABLISHMENT OF A SHARE GRANT PLAN OF UP TO TEN PERCENT (10%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF TIME DOTCOM BERHAD**
- (II) PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF TIME DOTCOM BERHAD**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Preparer for Part A and Adviser for Part B



CIMB Investment Bank Berhad (18417-M)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of Extraordinary General Meeting ("**EGM**") and the Form of Proxy for the EGM are set out in this Circular. Our EGM will be held as follows:

- | | |
|--|--|
| Date and time of the EGM | : Thursday, 28 June 2012 at 11.00 a.m. or immediately following the conclusion or adjournment (as the case may be) of our 15 th Annual General Meeting, which will be held at the same venue and on the same day at 10.00 a.m. or any adjournment thereof, whichever is later |
| Venue of the EGM | : Saujana Ballroom, Ground Floor, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan |
| Last date and time for lodging the Form of Proxy | : Tuesday, 26 June 2012 at 11.00 a.m. |

This Circular is dated 6 June 2012

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PART A

LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED MANDATE

DEFINITIONS (for Part A and Appendix III)

The following definitions shall apply throughout Part A and Appendix III of this Circular unless the context requires otherwise:

Abdul Kadir	:	Abdul Kadir Md Kassim
Acquisitions	:	Acquisition of GTC, Acquisition of GTL, Acquisitions of Global Transit Entities and Acquisitions of AIMS Group, collectively
Acquisitions of AIMS Group	:	Acquisitions of 100% equity stakes in TAAG, AIMS Data Centre 2 and AIMS Cyberjaya respectively by TdC for a total purchase consideration of RM119,000,000, fully settled via the issuance of 20,112,676 TdC Shares at an issue price of RM3.55 each and a cash payment of RM47,600,000 which was completed on 17 May 2012
Acquisition of GTC	:	Acquisition of 100% equity stakes in GTC by TdC for a purchase consideration of RM102,000,000, fully settled via the issuance of 28,732,394 TdC Shares at an issue price of RM3.55 each which was completed on 17 May 2012
Acquisition of GTL	:	Acquisition of 100% equity stakes in GTL by TdC for a purchase consideration of RM101,000,000, fully settled via the issuance of 17,070,421 TdC Shares at an issue price of RM3.55 each and a cash payment of RM40,400,000 which was completed on 17 May 2012
Acquisitions of Global Transit Entities	:	Acquisition of 100% equity stakes in the Global Transit Entities by TdC for a cash consideration of RM1.00 each which was completed on 17 May 2012
Act	:	Companies Act, 1965
Afzal	:	Afzal Abdul Rahim
AGM	:	Annual general meeting
AIMS Cyberjaya	:	AIMS Cyberjaya Sdn Bhd
AIMS Data Centre	:	AIMS Data Centre Sdn Bhd
AIMS Data Centre 2	:	AIMS Data Centre 2 Sdn Bhd
AIMS Data Centre PL	:	AIMS Data Centre Pte Ltd
AIMS Group	:	TAAG and its subsidiaries, AIMS Data Centre 2 and AIMS Cyberjaya, collectively
Audit Committee	:	Audit committee of TdC
Axiata	:	Axiata Group Berhad
Axiata Group	:	Axiata and its subsidiaries, collectively
Bank Muamalat	:	Bank Muamalat Malaysia Berhad
Bank Muamalat Group	:	Bank Muamalat and its subsidiaries, collectively
Board	:	Board of Directors of TdC
Bursa Securities	:	Bursa Malaysia Securities Berhad
CIMB	:	CIMB Investment Bank Berhad
CIMB Group HB	:	CIMB Group Holdings Berhad
Circular	:	This Circular to Shareholders dated 6 June 2012
CMSA	:	Capital Markets and Services Act, 2007

DEFINITIONS (for Part A and Appendix III) (cont'd)

Director	: A Director of TdC, and “ Directors ” shall be construed accordingly
EGM	: Extraordinary general meeting
Elakumari	: Elakumari Kantilal
Global Transit Entities	: GTS and GTHK, collectively
GTC	: Global Transit Communications Sdn Bhd
GTHK	: Global Transit (Hong Kong) Limited
GTI	: Global Transit International Sdn Bhd
GTL	: Global Transit Limited
GTS	: Global Transit Singapore Pte Ltd
Hakikat Pasti	: Hakikat Pasti Sdn Bhd
IESB	: Information Edge Sdn Bhd
Interested Directors	: Abdul Kadir, Elakumari and Afzal, collectively
Interested Major Shareholders	: PKV, UEMG, KNB, GTI, Megawisra, Megawisra Investments, Afzal, Te-Shen
IP	: Internet protocol
Iskandar Investment	: Iskandar Investment Berhad
Iskandar Investment Group	: Iskandar Investment and its subsidiaries, collectively
KNB	: Khazanah Nasional Berhad
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
Major Shareholder(s)	: Any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a person who has an interest or interests in one or more voting shares in the Company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is: (a) 10% or more of the aggregate of the nominal amounts of all the voting shares in the Company; or (b) 5% or more of the aggregate of the nominal amounts of all the 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 6A of the Act
Malaysia Airports	: Malaysia Airports Holdings Berhad
Malaysia Airports Group	: Malaysia Airports and its subsidiaries, collectively
MAS	: Malaysian Airline System Berhad
Measat	: Measat Broadcast Network Systems Sdn Bhd, a wholly-owned subsidiary of Astro All Asia Networks plc
Megat Hisham	: Megat Hisham Hassan
Megawisra	: Megawisra Sdn Bhd
Megawisra Investments	: Megawisra Investments Ltd
PKV	: Pulau Kapas Ventures Sdn Bhd

DEFINITIONS (for Part A and Appendix III) (cont'd)

POS	:	Pos Malaysia Berhad
Previous Recurrent RPT Mandate	:	The shareholders' mandate granted on 27 June 2011 for the TdC Group to enter into Recurrent RPTs in the ordinary course of business which are necessary for TdC Group's day to day operations
Proposals	:	The Proposed Mandate, Proposed Share Grant Plan and Proposed Amendment, collectively
Proposed Amendment	:	The proposed amendment to the memorandum of association of TdC
Proposed Mandate	:	The Proposed Renewal of Recurrent RPT Mandate and the Proposed New Recurrent RPT Mandate, collectively
Proposed Share Grant Plan	:	The proposed establishment of a share grant plan of up to ten percent (10%) of the issued and paid-up share capital of TdC
Proposed New Recurrent RPT Mandate	:	Proposed new shareholders' mandate for the TdC Group to enter into Recurrent RPTs
Proposed Renewal of Recurrent RPT Mandate	:	Proposed renewal of the existing shareholders' mandate for the TdC Group to enter into Recurrent RPTs
Proton	:	Proton Holdings Berhad
Proton Group	:	Proton Holdings Berhad, its subsidiaries and other related companies, collectively
Pulau Memutik Ventures	:	Pulau Memutik Ventures Sdn Bhd
Pulau Memutik Ventures Group	:	Pulau Memutik Ventures and its subsidiaries, collectively
Recurrent RPTs	:	Transactions entered into by the Company or its subsidiaries which involves the interest, direct or indirect, of a Related Party, which is recurrent, of a revenue or trading nature and which is necessary for day to day operations of the Company or its subsidiaries
Redang Investment	:	Redang Investment Ltd
Redang Investment Group	:	Redang Investment, and its subsidiaries, collectively
Related Party(ies)	:	A Director, Major Shareholder or person connected with such Director or Major Shareholder
RM and sen	:	Ringgit Malaysia and sen respectively
RPT(s)	:	Related Party Transaction(s)
TAAG	:	The AIMS Asia Group Sdn Bhd
TdC	:	TIME dotCom Berhad
TdC Group	:	The Company and its subsidiaries, collectively
TdC Shares	:	Ordinary shares of RM0.50 each in TdC
TdN	:	TIME dotNet Berhad
TEB	:	TIME Engineering Berhad
Telekom	:	Telekom Malaysia Berhad
Telekom Group	:	Telekom and its subsidiaries, collectively
Te-Shen	:	Gan Te-Shen

DEFINITIONS (for Part A and Appendix III) (cont'd)

TIMESat	:	TIMESat Sdn Bhd
TNB	:	Tenaga Nasional Berhad
TNB Group	:	TNB and its subsidiaries, collectively
TTdC	:	TT dotCom Sdn Bhd
UEMG	:	UEM Group Berhad
UEMG Group	:	UEMG and its subsidiaries, collectively

All references to “**our Company**” and “**the Company**” in Part A of this Circular are to TdC. References to “**our Group**” are to our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company and where the context requires, shall include our subsidiaries.

All references to “**you**” in Part A of this Circular are to the shareholders of our Company.

For practical reasons, information disclosed in Part A of this Circular has been mainly based on a cut-off date of 24 May 2012, being the latest practicable date before the printing of this Circular (“**LPD**”), unless stated otherwise.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations.

Any reference to any enactment in Part A of this Circular is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day in this Part A of Circular is a reference to Malaysian time, unless otherwise stated.

Any reference to “**par value**” in Part A of this Circular shall also mean “**nominal value**”, and vice versa.

Any discrepancy in the tables between the amounts listed and the totals in Part A of this Circular are due to rounding.

TIME[™]
TIME DOTCOM BERHAD
(Company No. 413292-P)
(Incorporated in Malaysia under the Act)

Registered office:
Level 4, No. 14, Jalan Majistret U1/26
Hicom Glenmarie Industrial Park
40150 Shah Alam
Selangor Darul Ehsan

6 June 2012

Board of Directors:

Abdul Kadir Md Kassim *(Non-Independent, Non-Executive Director and Chairman)*
Elakumari Kantilal *(Non-Independent, Non-Executive Director)*
Ronnie Kok Lai Huat *(Senior Independent, Non-Executive Director)*
Balasingham A. Namasiwayam *(Independent, Non-Executive Director)*
Afzal Abdul Rahim *(Non-Independent, Executive Director and Chief Executive Officer)*

To our Shareholders

Dear Sir/Madam

PROPOSED SHAREHOLDERS' MANDATE TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES

1. INTRODUCTION

At the EGM held on 27 June 2011, our Company obtained a general mandate from our shareholders for our Company and/or its subsidiaries to enter into Recurrent RPTs in the ordinary course of business based on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public, are not to the detriment of the minority shareholders of the Company and which are necessary for the TdC Group's day to day operations ("**Previous Recurrent RPT Mandate**").

The Previous Recurrent RPT Mandate shall apply until:

- (a) the conclusion of the 15th AGM of our Company unless authority for its renewal is obtained from the shareholders of our Company at the said AGM;
- (b) the expiration of the period within which the 15th AGM of our Company after the date it is required to be held, pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) any revocation or variation by a resolution passed by the shareholders of our Company in a general meeting,

whichever is the earlier.

On 21 May 2012, CIMB, on behalf of the Board, announced that our Company proposes to seek approval of our shareholders for the Proposed Mandate at an EGM to be convened.

THE PURPOSE OF PART A OF THIS CIRCULAR IS TO PROVIDE YOU WITH INFORMATION ON THE PROPOSED MANDATE AND TO SEEK YOUR APPROVAL FOR THE ORDINARY RESOLUTION RELATING TO THE PROPOSED MANDATE TO BE TABLED AT THE EGM TO BE CONVENED. THE NOTICE OF THE EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

WE ADVISE YOU TO READ AND CONSIDER CAREFULLY THE CONTENTS OF PART A OF THIS CIRCULAR TOGETHER WITH THE APPENDIX BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED MANDATE TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED MANDATE

2.1 The Listing Requirements

Pursuant to Paragraph 10.09(1)(b) of the Listing Requirements, a listed issuer with an issued and paid-up capital of RM60 million and above must immediately announce a recurrent related party transaction as follows:

- (i) the consideration, value of the assets, capital outlay or costs of the recurrent related party transactions is RM1 million or more; or
- (ii) the percentage ratio of such recurrent related party transaction is 1% or more,

whichever is the higher.

Pursuant to Paragraph 10.09(2) of the Listing Requirements, a listed issuer may seek a mandate from its shareholders for recurrent related party transactions subject to, amongst others, the following:

- (a) 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;
- (b) the shareholder mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholder 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 Listing Requirements;
- (c) in a meeting to obtain shareholder mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder; and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution to approve the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and
- (d) the listed issuer immediately announces to Bursa Securities when the actual value of a recurrent related party transaction entered into by the listed issuer, exceeds the estimated value of the recurrent related party transaction disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

The Previous Recurrent RPT Mandate will expire at the conclusion of the 15th AGM to be held by our Company on 28 June 2012.

In compliance with Paragraph 10.09(2) of the Listing Requirements, our Company now proposes to seek the approval of our shareholders for the Proposed Mandate of which the details of the Recurrent RPTs are as set out in Section 2.3.2 of Part A of this Circular.

The Proposed Mandate will take effect from the passing of the ordinary resolution proposed at the EGM to be convened and will continue to be in force (unless revoked or varied by our Company in a general meeting) until the conclusion of the next AGM of our Company.

2.2 Principal Activities of the TdC Group

The principal activities of TdC are investment holding and the provision of management and marketing/promotional services and retailing of telecommunications products. The details of TdC's subsidiaries as well as their principal activities as at LPD are set out in the table below:

<u>Name of company</u>	<u>Effective Equity interest</u> %	<u>Principal activities</u>
AIMS Cyberjaya ⁽¹⁾	100.0	Provision of value added network services, information services, system integration services and the operation of data networks and network based applications for corporations.
AIMS Data Centre 2 ⁽¹⁾	100.0	Provision of value added network services, information services, system integration services and the operation of data networks and network based applications for corporations.
GTC ⁽¹⁾	100.0	Provision of telecommunication and related services.
GTL ⁽¹⁾	100.0	Engaged in the business of telecommunication services.
GTHK ⁽¹⁾	100.0	Provision of telecommunication services.
GTS ⁽¹⁾	100.0	Wholesale of telecommunication equipment and related services.
Hakikat Pasti	100.0	Acquiring and holding shares, stocks, debenture bonds, notes, obligations and securities and every other kind and description of movable and immovable property for investment purposes.
TAAG ⁽¹⁾	100.0	Provision of engineering services for the telecommunication industry.
TdN	100.0	Provision and marketing of internet services to customers including providing access to the world wide web, the organisation and aggregation of content, on-line call center, on-line services, on-net advertising and virtual data storage and provision of application services including electronic mail, chat room, instant messaging, web-hosting and bulletin boards.
TIMESat	100.0	Provision of telecommunication facilities and services using satellite and microwave.
TTdC	100.0	Provision of voice, data, video and image communication services through its established domestic and international network.

Name of company	Effective Equity interest	Principal activities
Subsidiaries of TAAG		
AIMS Data Centre ⁽¹⁾	100.0	Provision of value added network services, information services, system integration services and the operation of data networks and network based applications for corporations.
AIMS Data Centre PL ⁽¹⁾	100.0	Telecommunication services.
IESB ⁽¹⁾	100.0	Dormant.

Note:

(1) *AIMS Cyberjaya, AIMS Data Centre, AIMS Data Centre 2, AIMS Data Centre PL, TAAG, IESB, GTC, GTL, GTHK and GTS became subsidiaries of TdC after the completion of the Acquisitions on 17 May 2012. The Acquisitions were part of a series of corporate proposals undertaken by TdC which included, amongst others, a capital repayment and capital restructuring exercise.*

It is envisaged that the companies within our Group would, in the ordinary course of business, enter into the Recurrent RPTs as detailed in Section 2.3.2 of Part A of this Circular. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

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2.3 Classes and Nature of the Recurrent RPTs

2.3.1 Classes of Recurrent RPTs

The Proposed Mandate will apply to transactions with the following Related Parties:

No.	Related Transacting Parties	Interested Related Parties	Nature of Relationship
1.	UEMG Group	KNB, PKV, Afzal, Abdul Kadir and Elakumari	<p>UEMG is a major shareholder of TdC. KNB is a major shareholder of UEMG.</p> <p>PKV is a subsidiary of KNB and also a major shareholder of TdC.</p> <p>KNB is therefore deemed a major shareholder of TdC by virtue of its interests held through PKV and UEMG.</p> <p>Afzal is a partner of KNB by virtue of his shareholding in PKV.</p> <p>Abdul Kadir is a director of TdC and UEMG.</p> <p>Elakumari is a nominee director of KNB in TdC and a director of PKV.</p>
2.	KNB	UEMG, PKV, Afzal, Abdul Kadir and Elakumari	<p>UEMG is a major shareholder of TdC. KNB is a major shareholder of UEMG.</p> <p>PKV is a subsidiary of KNB and also a major shareholder of TdC.</p> <p>KNB is therefore deemed a major shareholder of TdC by virtue of its interests held through PKV and UEMG.</p> <p>Afzal is a partner of KNB by virtue of his shareholding in PKV.</p> <p>Abdul Kadir is a director of TdC and UEMG.</p> <p>Elakumari is a nominee director of KNB in TdC and a director of PKV.</p>

No.	Related Transacting Parties	Interested Related Parties	Nature of Relationship
3.	<ul style="list-style-type: none"> a) Telekom Group b) TNB Group and its associated companies c) MAS d) CIMB Group HB and its subsidiaries e) Axiata Group f) Proton Group g) Measat h) Redang Investment Group and its associated companies i) Pulau Memutik Ventures Group and its associated companies j) Bank Muamalat Group k) Malaysia Airports Group l) Iskandar Investment Group and its associated companies 	<p>KNB, UEMG, PKV, Afzal, Abdul Kadir and Elakumari</p>	<p>KNB is a major shareholder of Telekom, TNB, MAS, CIMB Group HB, Axiata, Proton, Measat, Redang Investment, Pulau Memutik Ventures, Bank Muamalat, Malaysia Airports and Iskandar Investment.</p> <p>UEMG is a major shareholder of TdC. KNB is a major shareholder of UEMG. PKV is a subsidiary of KNB and also a major shareholder of TdC.</p> <p>KNB is therefore deemed a major shareholder of TdC by virtue of its interests held through PKV and UEMG.</p> <p>Afzal is a partner of KNB by virtue of his shareholding in PKV.</p> <p>Abdul Kadir is a director of TdC and UEMG.</p> <p>Elakumari is a nominee director of KNB in TdC and a director of PKV.</p>

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2.3.2 Nature of Recurrent RPTs

(a) The details of the Recurrent RPTs which may or will be entered into under the Proposed Renewal of Recurrent RPT Mandate are as follows:

Name of Related Transacting Parties	Interested Related Parties	Type of Transactions	Estimated aggregate value of each Recurrent RPT as disclosed in the preceding circular to shareholders dated 10 June 2011 ("Estimated Value") (RM million)	Actual value transacted from the Previous Recurrent RPT Mandate up to the LPD ("Actual Value") (RM million)	Estimated aggregate value from the date of the EGM to the date of the next AGM ⁽⁷⁾ (RM million)
Proton Group	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	Provision of internet, data, voice and managed services by TdC and/or its subsidiaries to Proton Group	3.60	0.53	1.00
Telekom Group	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	(a) Provision of leased line, point of interconnect, point of access and integrated services digital network (ISDN) backup by Telekom Group to TdC and/or its subsidiaries (b) Provision of telecommunication services (point of interconnect) by TdC and/or its subsidiaries to Telekom Group	14.70	11.06	25.00
TNB Group and its associated companies	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	(a) Provision of low voltage infrastructure, co-location, leased line, indoor equipment space, outdoor space, rooftop space and supervision by TNB Group and its associated companies to TdC and/or its subsidiaries (b) Provision of telecommunication services (voice) by TdC and/or its subsidiaries to TNB Group and its associated companies	7.70	0.94	7.70
			0.40	0.57 ⁽⁸⁾	1.00

Name of Related Transacting Parties	Interested Related Parties	Type of Transactions	Estimated aggregate value of each Recurrent RPT as disclosed in the preceding circular to shareholders dated 10 June 2011 ("Estimated Value") (RM million)	Actual value transacted from the Previous Recurrent RPT Mandate up to the LPD ("Actual Value") (RM million)	Estimated aggregate value from the date of the EGM to the date of the next AGM ⁽⁷⁾ (RM million)
MAS	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	Provision of telecommunication services (voice) by TdC and/or its subsidiaries to MAS	0.40	0.09	1.00
POS ⁽⁴⁾	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	Provision of telecommunication services (voice, data and internet) by TdC and/or its subsidiaries to POS	0.80	- ⁽⁴⁾	N/A ⁽⁴⁾
UEMG Group	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	(a) Provision of telecommunication services (data, internet, managed services and voice) by TdC and/or its subsidiaries to UEMG Group	5.60	4.63	8.50
		(b) Maintenance of regeneration of cabins and repair works for fibre optic cables and ancillaries and the provision of wayleave and right of use by UEMG Group to TdC and/or its subsidiaries	15.80	10.84	15.00
		(c) Supply of equipment, project management administration and provision of leased lines by UEMG Group to TdC and/or its subsidiaries	4.50	-	-
CIMB Group HB and its subsidiaries	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	Provision of telecommunication services (data, internet, managed services and voice) by TdC and/or its subsidiaries to CIMB Group HB and its subsidiaries	2.50	1.31	2.50

Name of Related Transacting Parties	Interested Related Parties	Type of Transactions	Estimated aggregate value of each Recurrent RPT as disclosed in the preceding circular to shareholders dated 10 June 2011 ("Estimated Value") (RM million)	Actual value transacted from the Previous Recurrent RPT Mandate up to the LPD ("Actual Value") (RM million)	Estimated aggregate value from the date of the EGM to the date of the next AGM ⁽⁷⁾ (RM million)
Axiata Group	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	(a) Provision of telecommunication services by TdC and/or its subsidiaries to Axiata Group (b) Provision of telecommunication services (point of interconnect) and provision of lease line by Axiata Group to TdC and/or its subsidiaries	2.00	1.42	12.00
Measat	KNB, UEMG, TEB ⁽²⁾ , PKV, Afzal, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	Provision of telecommunication services (broadband, voice and internet) by TdC and/or its subsidiaries to Measat	17.00	2.56	65.00
GTC ⁽⁵⁾	PKV, KNB, UEMG, TEB ⁽²⁾ , Megawisra Investments, Megawisra, GTI, Afzal, Te-Shen, Abdul Kadir, Elakumari and Megat Hisham ⁽³⁾	(a) Provision of bandwidth and IP transit services by GTC to TdC and/or its subsidiaries (b) Provision of bandwidth business by TdC and/or its subsidiaries to GTC	12.50	9.21 ⁽⁵⁾	N/A ⁽⁵⁾
AIMS Group ⁽⁵⁾	Megawisra, Megawisra Investments, Afzal and Te-Shen	(a) Provision of bandwidth services by TdC and or its subsidiaries to AIMS Group (b) Provision of co-location services, rack rental and provision of co-axial cable by AIMS Group to TC and/or its subsidiaries	2.73	1.39 ⁽⁵⁾	N/A ⁽⁵⁾
			1.59	2.33 ⁽⁵⁾ (9)	N/A ⁽⁵⁾

Name of Related Transacting Parties	Interested Related Parties	Type of Transactions	Estimated aggregate value of each Recurrent RPT as disclosed in the preceding circular to shareholders dated 10 June 2011 ("Estimated Value") (RM million)	Actual value transacted from the Previous Recurrent RPT Mandate up to the LPD ("Actual Value") (RM million)	Estimated aggregate value from the date of the EGM to the date of the next AGM ⁽⁷⁾ (RM million)
GTL ⁽⁶⁾	Megawisra Investments, Megawisra, GTI, PKV, Afzal, Te-Shen, Abdul Kadir, Elakumari, Megat Hisham ⁽³⁾ , UEMG, TEB ⁽²⁾ and KNB	Provision of bandwidth business by GTL to TdC and/or its subsidiaries	20.00	0.37 ⁽⁶⁾	N/A ⁽⁶⁾
Total				142.20	

Notes:

N/A Not applicable

- (1) The estimated value of each of the transactions was arrived based on the forecast sales / purchases to be undertaken from the date of the EGM to the date of the next AGM and the Actual Value may therefore vary and is subject to change.
- (2) TEB ceased to be a substantial shareholder of TdC on 2 August 2011 pursuant to a renounceable offer for sale by TEB of 626,181,720 ordinary shares of RM1.00 each in TdC representing TEB's entire equity interest in TdC.
- Accordingly, TEB is no longer an interested party with respect to transactions between the TdC Group and the relevant related transacting parties.
- (3) Megat Hisham has resigned as a Director of TdC on 24 November 2011.
- Accordingly, Megat Hisham is no longer an interested party with respect to transactions between the TdC Group and the relevant related transacting parties.
- (4) POS is no longer a Related Party pursuant to the disposal by KNB of 172,997,399 ordinary shares of RM0.50 each in POS, representing approximately 32.21% of the total issued and paid-up share capital of POS, which was completed on 1 July 2011.
- Accordingly, the actual value transacted under the Previous Recurrent RPT Mandate with POS comprised transactions from 27 June 2011 up to 1 July 2011 only.

The transactions between TdC and/or its subsidiaries and POS between 27 June 2011 to 1 July 2011 are insignificant.

Notes (cont'd):

(5) AIMS Group, GTC and GTL became wholly-owned subsidiaries of TdC after the completion of the Acquisitions on 17 May 2012. The Acquisitions were part of a series of corporate proposals undertaken by TdC which included, amongst others, a capital repayment and capital restructuring exercise.

Accordingly, AIMS Group, GTC and GTL are no longer related parties with respect to the TdC Group.

Actual value transacted under the Previous Recurrent RPT Mandate with AIMS Group, GTC and GTL comprised transactions from 27 June 2011 up to 17 May 2012 only.

(6) The Actual Value of the transaction between Telekom Group and TdC and/or its subsidiaries exceeds the Estimated Value by more than 10% as the usage for telecommunication services (point of interconnect) had increased due to the improving economic conditions.

(7) The provision of telecommunication services (point of interconnect) is part of the provision of telecommunication and data centre services by TdC and/or its subsidiaries to Telekom Group with an aggregate value of RM40.00 million as set out in Section 2.3.2 (b) below.

(8) The Actual Value of the transaction between TNB Group and its associated companies and TdC and/or its subsidiaries exceeds the Estimated Value by more than 10% as the demand for telecommunication services (voice) had increased due to the improving economic conditions.

(9) The Actual Value of the transaction between AIMS Group and TdC and/or its subsidiaries exceeds the Estimated Value by more than 10% as the demand for co-location services, rack rental and co-axial cable had increased due to the improving economic conditions.

As the aggregate Actual Value of transactions which involve the interest of the same Related Parties do not exceed the aggregate Estimated Value, no announcement pursuant to Paragraph 10.09(2)(e) of the Listing Requirements was made.

(b) The details of the Recurrent RPTs which may or will be entered into under the Proposed New Recurrent RPT Mandate are as follows:

Name of Related Transacting Parties	Interested Related Parties	Type of Transactions	Estimated aggregate value from the date of the EGM to the date of the next AGM ⁽¹⁾ (RM million)
Telekom Group	KNB, UEMG, PKV, Afzal, Abdul Kadir and Elakumari	Provision of telecommunication and data centre services by TdC and/or its subsidiaries to Telekom Group	40.00
Pulau Memutik Ventures Group and its associated companies	KNB, UEMG, PKV, Afzal, Abdul Kadir and Elakumari	Provision of telecommunication and data centre services by TdC and/or its subsidiaries to Pulau Memutik Ventures Group and its associated companies	3.00
Redang Investment Group and its associated companies	KNB, UEMG, PKV, Afzal, Abdul Kadir and Elakumari	Provision of telecommunication and data centre services by TdC and/or its subsidiaries to Redang Investment Group and its associated companies	1.00
Bank Muamalat Group	KNB, UEMG, PKV, Afzal, Abdul Kadir and Elakumari	Provision of telecommunication and data centre services by TdC and/or its subsidiaries to Bank Muamalat Group	1.00
Malaysia Airports Group	KNB, UEMG, PKV, Afzal, Abdul Kadir and Elakumari	Provision of telecommunication and data centre services by TdC and/or its subsidiaries to Malaysia Airports Group	1.00
Iskandar Investment Group and its associated companies	KNB, UEMG, PKV, Afzal, Abdul Kadir and Elakumari	Provision of telecommunication and data centre services by TdC and/or its subsidiaries to Iskandar Investment Group and its associated companies	1.00
KNB	UEMG, PKV, Afzal, Abdul Kadir and Elakumari	Provision of telecommunication and data centre services by TdC and/or its subsidiaries to KNB	1.00
Total			48.00

Note:

(1) The estimated value of each of the transactions was arrived based on the forecast sales / purchases to be undertaken from the date of the EGM to the date of the next AGM and the actual transaction value may therefore vary and is subject to change.

2.3.3 Amount due and owing by Related Parties pursuant to the Recurrent RPTs

The breakdown of the outstanding amount due under the Recurrent RPTs which exceeded the credit term as at the end of the financial year ended 31 December 2011 are as follows:

Name of Related Party	Outstanding Amount Due Under Recurrent RPTs Which Exceeded The Credit Term For The Following Periods As At 31 December 2011			
	1 Year Or Less (RM million)	More Than 1 To 3 Years (RM million)	More Than 3 to 5 Years (RM million)	More Than 5 Years (RM million)
Axiata Group	0.14	-	-	-
CIMB Group HB and its subsidiaries	0.11	-	-	-
Bank Muamalat Group	0.61	-	-	-
MAS	0.01	-	-	-
Proton Group	0.08	-	-	-
TNB Group and its associated companies	0.09	0.04 ⁽¹⁾	-	-
UEMG Group	0.67	0.13 ⁽¹⁾	-	-
Telekom Group	2.48	-	0.50 ⁽¹⁾	-
GTC ⁽²⁾	6.25	-	-	-
AIMS Group ⁽²⁾	0.57	-	-	-
Measat	0.35	-	-	-

Notes:

(1) Allowance for doubtful debts has been provided in respect of all outstanding amounts due which exceeded credit term by more than one (1) year.

(2) GTC and AIMS Group were related parties with respect to our Group as at 31 December 2011. GTC and AIMS Group became subsidiaries of TdC after the completion of the Acquisitions on 17 May 2012.

Accordingly, GTC and AIMS Group are no longer related parties with respect to the TdC Group as at the LPD.

The credit period granted for sales rendered is thirty (30) days.

TdC Group does not charge any interest or impose any late payment charges on outstanding sums in view of the long outstanding business relationship with the relevant parties.

TdC Group will continue its policy to recover all outstanding debts by issuing regular reminder letters to be followed up by regular contact and phone calls with the debtors, including related parties, failing which legal action may be initiated to recover the debts (including court action and/or arbitration).

The Directors closely monitor the outstanding balances and are of the opinion that the above outstanding sums, net of allowance for doubtful debts, are recoverable.

2.4 Guidelines and Review Procedures for the Recurrent RPTs

The Audit Committee will be tasked with the review and approval of the Recurrent RPTs to ensure that our Company undertakes such transactions at arm's length basis and on normal commercial terms and to supervise the existing internal control procedures of the TdC Group. Our Company's internal audit plan and the terms of reference of the Audit Committee shall include a critical review of the Recurrent RPTs entered into to ensure that they are transacted on terms and conditions which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of TdC's minority shareholders.

A summary of all Related Party Transactions, including Recurrent RPTs is tabled to the Audit Committee every quarter for notation. If a member of the Board or of the Audit Committee has an interest, as the case may be, he/she shall abstain from any decision making by the Board or the Audit Committee in respect of the Recurrent RPTs.

At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison wherever possible, to determine whether the price and terms offered to/by the Related Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products/services and/or quantities. In the event that quotations or comparative pricing from unrelated third parties cannot be obtained for the proposed transactions, the Audit Committee will rely on the prevailing market norms and practices taking into account the efficiency, quality and type of services to be provided to ensure that the Recurrent RPTs are not detrimental to the TdC Group.

There is no specific threshold for the approval of Recurrent RPTs within the TdC Group as the transaction prices entered with the related parties are guided by the prevailing market prices carried out on arm's length basis, on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of TdC's minority shareholders.

2.5 Audit Committee Statement

The Audit Committee is of the view that the procedures and guidelines as stated in Section 2.4 of Part A of this Circular are sufficient to ensure that the Recurrent RPTs are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of our Company.

The Audit Committee is also satisfied that the TdC Group has in place adequate procedures and processes to monitor, track and identify Recurrent RPTs in a timely and orderly manner. The Audit Committee conducts the review of these procedures and processes every six (6) months.

2.6 Validity period

The authority to be conferred pursuant to the Proposed Mandate, if approved at the forthcoming EGM, will continue to be in force until:

- (a) the conclusion of the next AGM of our Company following the forthcoming EGM at which the Proposed Mandate is approved, at which time it will lapse, unless by a resolution passed at the AGM the mandate is again renewed;
- (b) the expiration of the period within which the next AGM of our Company after the forthcoming EGM is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

3. RATIONALE FOR THE PROPOSED MANDATE

The Recurrent RPTs to be entered into by the TdC Group, for which the Proposed Mandate is being sought, are those which will be carried out in the ordinary course of business. They are recurring transactions of revenue or trading nature which are likely to occur on a frequent basis and which may arise at any time and from time to time. The Recurrent RPTs may be constrained in terms of time-sensitivity, confidentiality and frequency and would therefore make it impracticable for our Company to seek shareholders' approval on a case-to-case basis. Notwithstanding this, the Proposed Mandate will allow the TdC Group to enter into the Recurrent RPTs which will ensure continued and timely delivery and/or provision of services, which are crucial for a more efficient day-to-day business operations of the TdC Group.

The Proposed Mandate will also eliminate the need for the Company to make announcements to Bursa Securities and convene separate general meetings to seek shareholders' approval as and when such Recurrent RPTs arise. In view of the foregoing, the Proposed Mandate, if approved, will substantially reduce administrative time, inconvenience and expenses for our Company. This will thereafter allow our Company to channel more resources towards meeting the TdC Group's corporate objectives and realise business/investment opportunities, as and when they become available.

4. EFFECTS OF THE PROPOSED MANDATE

The Proposed Mandate will not have any material effect on the issued and paid-up share capital, earnings, net assets, gearing and the substantial shareholders' shareholdings in our Company.

5. APPROVAL REQUIRED

The Proposed Mandate is subject to approval being obtained from the shareholders of the Company at the forthcoming EGM.

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save as disclosed below, none of our Company's Directors and/or Major Shareholders and/or persons connected with them has any interest, direct and/or indirect, in the Proposed Mandate.

6.1 Major Shareholders' Interests

Based on the Register of Substantial Shareholders as at 24 May 2012, the shareholdings of the Interested Major Shareholders in TdC are as follows:

Names	No. of Shares			
	Direct	%	Indirect	%
PKV	180,774,359	31.60	-	-
UEMG	62,491,770	10.92	-	-
KNB	-	-	246,073,341 ⁽¹⁾	43.01
GTI	-	-	180,774,359 ⁽²⁾	31.60
Megawisra	24,831,363	4.34	180,774,359 ⁽³⁾	31.60
Megawisra Investments	-	-	205,605,722 ⁽⁴⁾	35.94
Afzal	-	-	205,605,722 ⁽⁵⁾	35.94
Te-Shen	-	-	205,605,722 ⁽⁶⁾	35.94

Notes:

- (1) Deemed interested by virtue of its interests held through PKV, UEMG, Pulau Tiga Ventures Sdn Bhd and Continuum Capital Sdn Bhd pursuant to Section 6A of the Act. Continuum Capital Sdn Bhd is a wholly-owned subsidiary of Pulau Tiga Ventures Sdn Bhd which is in turn a wholly-owned subsidiary of KNB.
- (2) Deemed interested by virtue of its interests held through PKV pursuant to Section 6A of the Act.
- (3) Deemed interested by virtue of its interests held through PKV via its shareholdings in GTI pursuant to Section 6A of the Act.
- (4) Deemed interested by virtue of its interests held through PKV and GTI via its shareholdings in Megawisra pursuant to Section 6A of the Act.
- (5) Deemed interested by virtue of his interests held through PKV, GTI and Megawisra via his shareholdings in Megawisra Investments pursuant to Section 6A of the Act.
- (6) Deemed interested by virtue of his interests held through PKV, GTI and Megawisra via his shareholdings in Megawisra Investments pursuant to Section 6A of the Act.

By virtue of the relationship of the major shareholders as set out in Section 2.3.1 of Part A of this Circular, PKV, UEMG, KNB, GTI, Megawisra, Megawisra Investments, Afzal and Te-Shen ("**Interested Major Shareholders**" collectively) are deemed interested in the Proposed Mandate.

Accordingly, the Interested Major Shareholders will abstain from voting on the Proposed Mandate in respect of their direct and/or indirect shareholdings in TdC on the resolution pertaining to the Proposed Mandate to be tabled at the forthcoming EGM. The Interested Major Shareholders have undertaken that they shall ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in TdC, if any, on the resolution pertaining to the Proposed Mandate to be tabled at the forthcoming EGM.

6.2 Directors' Interests

Abdul Kadir is a director of TdC and UEMG.

Elakumari is a nominee director of KNB in TdC and a director of PKV.

Afzal is a director of TdC and deemed a major shareholder of TdC by virtue of his interests in PKV, GTI and Megawisra via his shareholdings in Megawisra Investments.

(Abdul Kadir, Elakumari and Afzal are collectively referred to as "**Interested Directors**")

As at 24 May 2012, the shareholding of the Interested Directors in TdC is as follows:

Names	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Abdul Kadir	-	-	-	-
Elakumari	-	-	-	-
Afzal	-	-	205,605,722 ⁽¹⁾	35.94

Note:

- (1) Deemed interested by virtue of his interests held through PKV, GTI and Megawisra via his shareholdings in Megawisra Investments pursuant to Section 6A of the Act.

The Interested Directors have abstained and will continue to abstain from deliberating and voting on the Proposed Mandate at the Board meetings of the Company. They will also abstain from voting in respect of their direct and/or indirect shareholdings in TdC on the resolution pertaining to the Proposed Mandate to be tabled at the forthcoming EGM.

The Interested Directors have undertaken that they shall ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings in TdC, if any, on the resolution pertaining to the Proposed Mandate to be tabled at the forthcoming EGM.

Save as disclosed above, none of the other Directors or Major Shareholders or persons connected with them has any interest, direct or indirect, in the Proposed Mandate.

7. DIRECTORS' RECOMMENDATION

Having considered the rationale for the Proposed Mandate, our Board (save for the Interested Directors) is of the opinion that the Proposed Mandate is in the best interest of our Company. Accordingly, our Board (save for the Interested Directors) recommends that you vote in favour of the resolution pertaining to the Proposed Mandate to be tabled at the forthcoming EGM.

8. EGM

The resolution pertaining to the Proposed Mandate will be tabled at our forthcoming EGM which will be held at Saujana Ballroom, Ground Floor, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 28 June 2012 at 11.00 a.m. or immediately following the conclusion or adjournment (as the case may be) of our 15th AGM, which will be held at the same venue and on the same day at 10.00 a.m. or any adjournment thereof. The Notice of EGM containing the ordinary resolution in respect to the Proposed Mandate is enclosed with this Circular.

If you are unable to attend and vote in person at the EGM, you should complete and return the Form of Proxy enclosed in this Circular in accordance with the instructions therein as soon as possible and so as to arrive at our Share Registrar's office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty eight (48) hours before the time set for holding the general meeting or adjourned meeting, or in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid.

The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

9. ADDITIONAL INFORMATION

You are advised to refer to Appendix III for additional information.

Yours faithfully,
For and on behalf of the Board of
TIME DOTCOM BERHAD

Ronnie Kok Lai Huat
Senior Independent, Non-Executive Director
and Chairman of the Audit Committee

PART B

**LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED SHARE GRANT PLAN
AND PROPOSED AMENDMENT**

DEFINITIONS (for Part B and Appendix III)

The following definitions shall apply throughout Part B and Appendix III of this Circular unless the context requires otherwise:

Act	:	Companies Act, 1965
Adoption Date	:	The date on which the Proposed Share Grant Plan is adopted by TdC in accordance with the By-Laws
AGM	:	Annual general meeting
Annual PSP	:	The annual performance share plan referred to in the By-Laws
Annual PSP Award	:	An award of Plan Shares granted pursuant to the Annual PSP which may contain condition(s) as imposed by the Scheme Committee
Annual PSP Vesting Date	:	The date (as determined by the Scheme Committee and notified to the relevant Participant) on which the Plan Shares granted pursuant to an Annual PSP Award shall be Vested in accordance with the By-Laws
Annual RSP	:	The annual restricted share plan referred to in the By-Laws
Annual RSP Award	:	An award of Plan Shares granted pursuant to the Annual RSP which may contain condition(s) as imposed by the Scheme Committee
Annual RSP Vesting Date	:	The date (as determined by the Scheme Committee and notified to the relevant Participant) on which the Plan Shares granted pursuant to an Annual RSP Award shall be Vested in accordance with the By-Laws
Awards	:	The Special RSP Award, Annual RSP Award and Annual PSP Award, collectively and " Award " shall mean any one of them in the context of the By-Laws
Award Date	:	The date of the Award Letter
Award Letter	:	A letter, in such form as the Scheme Committee shall approve, granting an Award to an Eligible Person and " Award Letters " shall be construed accordingly
Board	:	Board of Directors of TdC
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
By-Laws	:	The rules, terms and conditions of the Proposed Share Grant Plan as may be amended from time to time
CDS Account	:	An account established by Bursa Depository for the recording of deposit and withdrawal of securities and for dealing in such securities by a depositor and " CDS Accounts " shall be construed accordingly
Chief Executive Officer or CEO	:	The principal executive officer of TdC, by whatever name called, whether or not he is a director
CIMB	:	CIMB Investment Bank Berhad
Circular	:	This Circular to Shareholders dated 6 June 2012
CMSA	:	Capital Market and Services Act, 2007
Director	:	A Director of TdC, and " Directors " shall be construed accordingly

DEFINITIONS (for Part B and Appendix III) (cont'd)

EGM	: Extraordinary general meeting
Eligible Person	: A Group Employee or Executive Director who fulfills or is exempted from the conditions of eligibility as stipulated in the By-Laws and the Performance Conditions, where applicable; and " Eligible Persons " shall be construed accordingly
EPS	: Earnings per share
Executive Director	: An executive director of TdC, and " Executive Directors " shall be construed accordingly
Group Employee	: An individual who falls within any of the following categories: (a) an employee of the Group; (b) an employee who serves the Group under an employment contract for a fixed duration; or (c) an employee of the Group who is seconded to another corporation outside the Group; and " Group Employees " shall be construed accordingly
Listing Requirements	: Main Market Listing Requirements of Bursa Securities
Main Market	: Main Market of Bursa Securities
Market Day	: A day on which Bursa Securities is open for trading in securities and " Market Days " shall be construed accordingly
MFRS 2	: Malaysian Financial Reporting Standards 2 on Share-Based Payment issued by the Malaysian Accounting Standards Board
NA	: Net assets
Nomination and Remuneration Committee	: The nomination and remuneration committee of TdC
Non-Executive Director	: A non-executive director of TdC, and " Non-Executive Directors " shall be construed accordingly
Participant	: An Eligible Person who has been granted an Award (including, where applicable, the executor or personal representative of such Eligible Person) in accordance with the By-Laws and " Participants " shall be construed accordingly
Performance Conditions	: In relation to an Annual RSP Award or Annual PSP Award, the performance targets and/or conditions determined by the Scheme Committee
Persons Connected	: Persons connected as defined in Paragraph 1.01 of the Listing Requirements
Plan Period	: The period of the Proposed Share Grant Plan as set out in Section 3.1.6 of Part B of this Circular and in the By-Laws
Plan Shares	: TdC Shares to be made available for purposes of the Proposed Share Grant Plan
Proposals	: The Proposed Mandate, Proposed Share Grant Plan and Proposed Amendment, collectively
Proposed Amendment	: The proposed amendment to the memorandum of association of TdC
Proposed Mandate	: The proposed shareholders' mandate to enter into recurrent related party transactions of a revenue or trading nature with related parties

DEFINITIONS (for Part B and Appendix III) (cont'd)

Proposed Share Grant Plan	:	The proposed establishment of a share grant plan of up to ten percent (10%) of the issued and paid-up share capital of TdC (excluding treasury shares) at any point in time during the Plan Period, comprising the Special RSP, Annual RSP and Annual PSP
Record of Depositors	:	A record of securities holders established and maintained by Bursa Depository
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
SC	:	Securities Commission of Malaysia
Scheme Auditors	:	The auditors of TdC for the time being, or in the event they are unable or unwilling to carry out any action requested of them pursuant to the provisions of the By-Laws, such other auditors as may be nominated by the Board for that purpose
Scheme Committee	:	A committee established by the Board to administer the Proposed Share Grant Plan in accordance with the By-Laws
Special RSP	:	The special restricted share plan referred to in the By-Laws
Special RSP Award	:	An award of Plan Shares granted pursuant to the Special RSP which may contain condition(s) as imposed by the Scheme Committee
Special RSP Vesting Date	:	The date (as determined by the Scheme Committee and notified to the relevant Participant) on which Plan Shares granted pursuant to a Special RSP Award shall be Vested in accordance with the By-Laws
Subsidiaries	:	Subsidiaries of TdC within the meaning of Section 5 of the Act and shall include such subsidiaries which are existing as at the Adoption Date and those subsequently acquired or incorporated at any time during the Plan Period save and except for dormant subsidiaries and those determined by the Board and/or the Scheme Committee to fall outside the expression "Subsidiaries" pursuant to the By-Laws
TdC	:	TIME dotCom Berhad
TdC Shares or Shares	:	Ordinary shares of RM0.50 each in TdC, and " TdC Share " or " Share " shall be construed accordingly
Trusts	:	Trusts to be established by TdC to facilitate the implementation of the Proposed Share Grant Plan, where services of Trustee(s) is/are required
Trust Deeds	:	The document constituting the Trusts and includes the salient terms and conditions of the Trusts set out in Appendix II of this Circular
Trustee(s)	:	The trustee(s) for the time being appointed to be the trustee(s) under the Trust Deeds for the Proposed Share Grant Plan pursuant to the By-Laws
Vesting	:	The issuance and/or crediting (as the case may be) of the Plan Shares in the CDS Accounts of the Participants and " Vest " and " Vested " shall be construed accordingly
Vesting Dates	:	The Special RSP Vesting Date, Annual RSP Vesting Date and Annual PSP Vesting Date, collectively and " Vesting Date " shall mean any one of them in the context of the By-Laws

All references to “**our Company**” and “**the Company**” in Part B of this Circular are to TdC. References to “**our Group**” and “**the Group**” are to our Company and our subsidiaries. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company and where the context requires, shall include our subsidiaries.

All references to “**you**” in Part B of this Circular are to the shareholders of our Company.

For practical reasons, information disclosed in Part B of this Circular has been mainly based on a cut-off date of 24 May 2012, being the latest practicable date before the printing of this Circular (“**LPD**”), unless stated otherwise.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and vice versa. References to persons shall include corporations.

Any reference to any enactment in Part B of this Circular is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day in Part B of this Circular is a reference to Malaysian time, unless otherwise stated.

Any reference to “**par value**” in Part B of this Circular shall also mean “**nominal value**”, and vice versa.

Any discrepancy in the tables between the amounts listed and the totals in Part B of this Circular are due to rounding.

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TIME[™]
TIME DOTCOM BERHAD
(Company No. 413292-P)
(Incorporated in Malaysia under the Act)

Registered office:

Level 4, No. 14, Jalan Majistret U1/26
Hicom Glenmarie Industrial Park
40150 Shah Alam
Selangor Darul Ehsan

6 June 2012

Board of Directors:

Abdul Kadir Md Kassim *(Non-Independent, Non-Executive Director and Chairman)*
Elakumari Kantilal *(Non-Independent, Non-Executive Director)*
Ronnie Kok Lai Huat *(Senior Independent, Non-Executive Director)*
Balasingham A. Namasiwayam *(Independent, Non-Executive Director)*
Afzal Abdul Rahim *(Non-Independent, Executive Director and Chief Executive Officer)*

To our Shareholders

Dear Sir/Madam

(I) PROPOSED SHARE GRANT PLAN; AND
(II) PROPOSED AMENDMENT

1. INTRODUCTION

On 21 May 2012, CIMB had, on behalf of our Board, announced that our Company proposes to undertake the following:

- (i) the proposed establishment of a share grant plan for the eligible employees of our Group (except dormant subsidiaries) and Executive Directors.

The total number of Plan Shares which may be made available under the Proposed Share Grant Plan shall not at any point in time in aggregate exceed ten percent (10%) of the issued and paid-up share capital of our Company (excluding treasury shares) during the Plan Period; and

- (ii) the proposed amendment to the memorandum of association of our Company.

THE PURPOSE OF PART B OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED SHARE GRANT PLAN AND PROPOSED AMENDMENT AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS IN RELATION TO THE PROPOSED SHARE GRANT PLAN AND PROPOSED AMENDMENT TO BE TABLED AT THE EGM TO BE CONVENED. THE NOTICE OF THE EGM AND THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

WE ADVISE YOU TO READ AND CONSIDER CAREFULLY THE CONTENTS OF PART B OF THIS CIRCULAR TOGETHER WITH THE APPENDICES BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED SHARE GRANT PLAN AND PROPOSED AMENDMENT TO BE TABLED AT OUR FORTHCOMING EGM.

2. RATIONALE FOR THE PROPOSED SHARE GRANT PLAN AND PROPOSED AMENDMENT

Our Company wishes to put the Proposed Share Grant Plan in place in order to recognise and reward employees who contributed to the turnaround of our Group and also to provide an incentive to current employees of our Group.

Our Group has undertaken a review of its current employees' remuneration structure and proposes to introduce an additional long term incentive plan namely the Proposed Share Grant Plan which will be valid for eight (8) years or such longer period not exceeding ten (10) years (in compliance with Paragraph 6.40 of the Listing Requirements) as may be extended by the Scheme Committee.

By granting the opportunity to participate in the equity of our Company, the Proposed Share Grant Plan aims to cultivate a greater sense of involvement in our Group amongst the Participants and greater dedication and loyalty to our Group. The Proposed Share Grant Plan also aims to foster a strong and lasting ownership culture within our Group which aligns the interests of its employees with the interests of our shareholders.

2.1 Special RSP

In the year 2009, our Company commenced a business turnaround initiative and this initiative included the entry of a new management team. As a result of this initiative, as at the financial year ended 31 December 2011, our Group has recorded three (3) consecutive years of profit.

Our Company wishes to put the Special RSP in place to recognise and reward employees who contributed to the turnaround of our Group.

2.2 Annual RSP and Annual PSP

The Annual RSP and Annual PSP will allow our Group to be more flexible and effective in our continuing efforts to reward, motivate and retain good employees to achieve its goal of becoming a regional player to provide solutions to global carriers and service providers. Our Group also believes that the Annual RSP and Annual PSP will increase its competitiveness in attracting and retaining quality and skilled employees.

Furthermore, our Group believes that the Annual RSP and Annual PSP will be effective in encouraging employees to put in their best efforts toward achieving superior performance which will in turn create and enhance economic value for our shareholders.

2.3 Proposed Amendment

The Proposed Amendment is undertaken to facilitate the implementation of the Proposed Share Grant Plan.

3. DETAILS OF THE PROPOSED SHARE GRANT PLAN AND PROPOSED AMENDMENT

3.1 Proposed Share Grant Plan

The Proposed Share Grant Plan is established for the benefit of the Group Employees and the Executive Directors. En. Afzal Abdul Rahim, the current Chief Executive Officer and sole Executive Director has declined to participate in the Proposed Share Grant Plan.

The Proposed Share Grant Plan will be administered by the Scheme Committee and governed by the By-Laws.

The Proposed Share Grant Plan comprises the Special RSP, Annual RSP and Annual PSP, details of which are set out below:

(i) **Special RSP**

The Special RSP is a one-off share plan for selected Group Employees who have been employed by the Group as at 31 December 2009 and continues to be so employed by our Group as at the Award Date, in recognition of their past services and/or who have contributed significantly to the turnaround of our Group.

The Plan Shares granted pursuant to the Special RSP Award will be Vested in the Participants in full on the Special RSP Vesting Date and only once during the Plan Period.

Upon Vesting of the Plan Shares granted pursuant to the Special RSP in the Participants on the Special RSP Vesting Date, the Special RSP shall automatically terminate and cease to have any effect.

(ii) **Annual RSP**

The Annual RSP is a share plan for selected Group Employees holding such rank/position as may be designated by the Scheme Committee from time to time and, having met relevant criteria detailed in Section 3.1.1 below.

(iii) **Annual PSP**

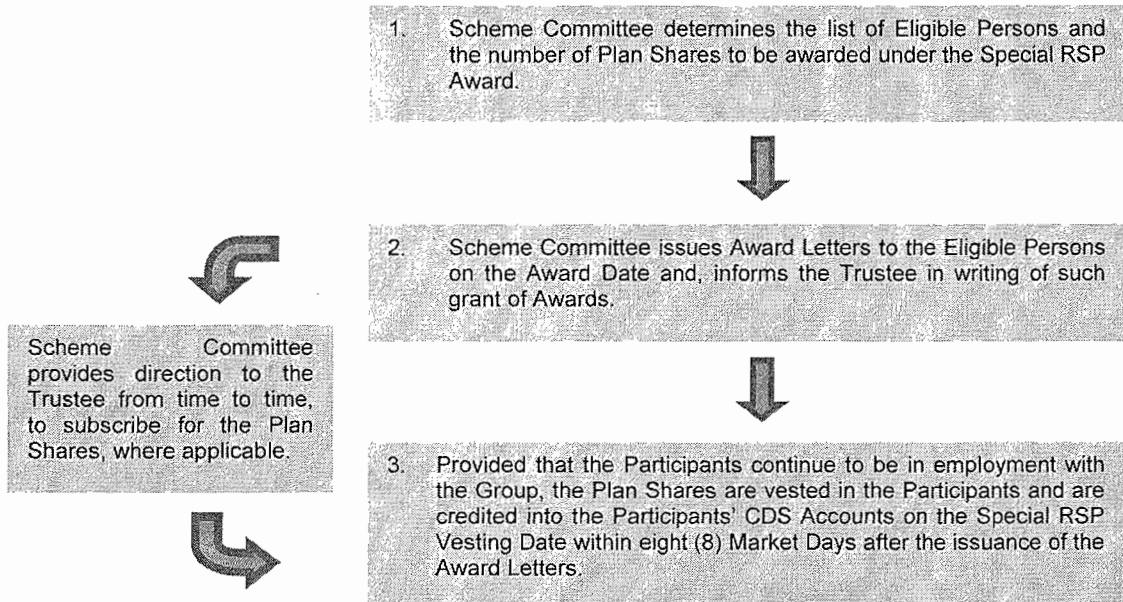
The Annual PSP is a share plan for selected Executive Directors and selected Group Employees designated by the Group as an employee from the senior management level, and having met relevant criteria detailed in Section 3.1.1 below.

The Plan Shares granted pursuant to an Annual RSP Award or Annual PSP Award will be Vested in the Participants on the relevant Vesting Dates in accordance with the terms of the Annual RSP Award or Annual PSP Award, as the case may be.

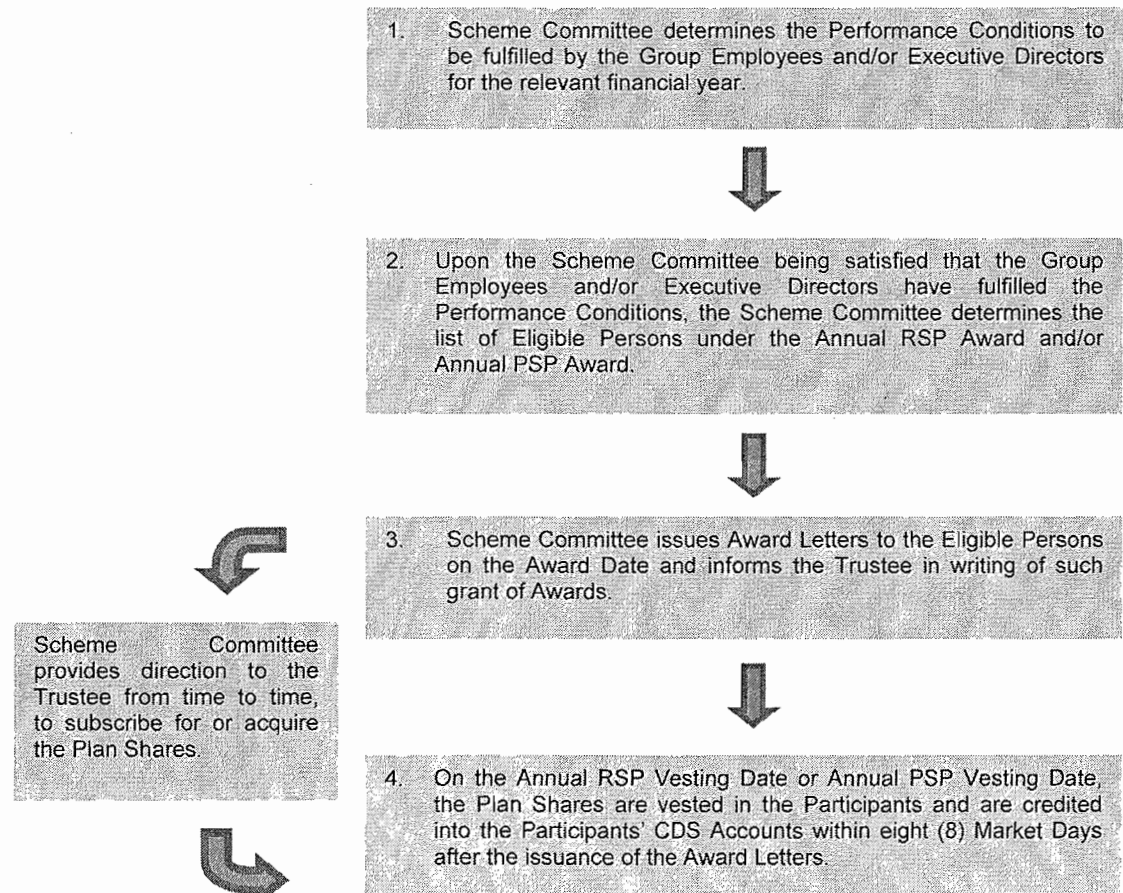
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A summary of the implementation flow for the Special RSP, Annual RSP and Annual PSP are set out below:

(i) **Special RSP**



(ii) **Annual RSP and Annual PSP**



Bursa Securities had vide its letter dated 24 May 2012 approved the listing of and quotation for such number of new TdC Shares to be issued from time to time pursuant to the Proposed Share Grant Plan, representing up to ten percent (10%) of the issued and paid-up share capital of our Company.

An application will be made to Bursa Depository for the transfer of the Plan Shares from the Trustee(s) to the Participants pursuant to the Proposed Share Grant Plan at any point in time in accordance with the direction of the Scheme Committee during the Plan Period.

3.1.1 Eligibility

A Group Employee or Executive Director, as the case may be, who meets the following criteria shall be eligible for consideration and/or selection as a Participant in the absolute discretion of the Scheme Committee:

- (i) **in respect of the Special RSP,**
 - (a) if he was a Group Employee as at 31 December 2009 and continues to be so employed by our Group as at the Award Date; and/or
 - (b) if he has contributed significantly to the turnaround of our Group; and/or
 - (c) if he meets any other criteria and/or falls within such category as may be determined by the Scheme Committee in its sole discretion.

- (ii) **in respect of the Annual RSP,**
 - (a) if his employment has been confirmed; and
 - (b) if he is holding such rank/position as may be designated by the Scheme Committee from time to time; and
 - (c) if, in the opinion of the Scheme Committee, his job performance has been assessed as having at least achieved a minimum grading in accordance with the performance management system adopted by our Company or any of its Subsidiary; and/or
 - (d) if he meets any other criteria and/or falls within such category as may be determined by the Scheme Committee in its sole discretion from time to time.

- (iii) **in respect of the Annual PSP,**
 - (a) if he is an Executive Director or designated by the Group as an employee from the senior management level; and/or
 - (b) if he meets any other criteria and/or falls within such category as may be determined by the Scheme Committee in its sole discretion from time to time.

Notwithstanding the above, the Scheme Committee may, in its absolute discretion, waive any of the conditions of eligibility as set out in this Section 3.1.1.

For the avoidance of doubt, no Executive Directors shall participate in the Special RSP and Annual RSP.

3.1.2 Performance Conditions

Without prejudice to the provisions in the By-Laws, Eligible Persons will receive their Awards after the Scheme Committee is satisfied that the conditions of eligibility stipulated in Section 3.1.1 of Part B of this Circular and the Performance Conditions have been met.

(i) **Annual RSP Award and Annual PSP Award**

The Performance Conditions involve different performance ratings which will result in different award modifiers and performance distributions for each Eligible Person as may be determined by the Scheme Committee.

(ii) **Special RSP Award**

In respect of a Special RSP Award to be granted under the Proposed Share Grant Plan, the Scheme Committee shall take into consideration the past job performance of the relevant Eligible Person.

A Group Employee or Executive Director, as the case may be, who fulfills the conditions of eligibility as stipulated in Section 3.1.1 of Part B of this Circular and the Performance Conditions described above may be considered as a Participant but is not automatically conferred with any rights under the Proposed Share Grant Plan. The Scheme Committee shall take into consideration, amongst others, the objectives of the Proposed Share Grant Plan when determining the criteria for eligibility and the Performance Conditions and notwithstanding the foregoing, the Scheme Committee shall have the right to decide on the Awards in its absolute discretion.

3.1.3 Grant of Awards

The Scheme Committee may, in its absolute discretion, grant Awards to Eligible Persons at any time during the Plan Period. An Award represents the right of a Participant to receive Plan Shares on the Vesting Date(s) at no cost to the Participant.

The number of Plan Shares which are the subject of an Award shall be determined in the absolute discretion of the Scheme Committee, taking into consideration, amongst others, the objectives of the Proposed Share Grant Plan.

The Scheme Committee shall decide in relation to an Award:

- (i) the Participant;
- (ii) the Award Date;
- (iii) the number of Plan Shares;
- (iv) the Vesting Date; and
- (v) any other condition or matter which the Scheme Committee may determine in its sole discretion in relation to that Award.

Upon the determination of the matters set out above, the Scheme Committee shall send or cause to be sent to each Eligible Person an Award Letter specifying in relation to the Award, amongst others, the matters determined by the Scheme Committee set out above.

The Scheme Committee has the flexibility and discretion under the Proposed Share Grant Plan to grant the Special RSP Award, Annual RSP Award and/or Annual PSP Award to the same Eligible Person simultaneously.

Eligible Persons may also be granted the Annual RSP Award and/or Annual PSP Award with different conditions, or on other different bases. The Scheme Committee may grant an Award at any time where in its opinion an Eligible Person's performance and/or contribution justifies such grant.

However, subject to any adjustments which may be made as described in Section 3.1.10 below, the aggregate number of Plan Shares that may be allocated to a Group Employee or Executive Director who, either singly or collectively through Persons Connected with the Group Employee or Executive Director, holds twenty percent (20%) or more of the issued and paid-up share capital (excluding treasury shares) of our Company, shall not exceed ten percent (10%) of the total number of Plan Shares to be made available under the Proposed Share Grant Plan and/or any other schemes involving new issuance of TdC Shares to eligible Group Employees and Executive Directors to be implemented from time to time.

The Special RSP Award shall solely be satisfied by the issuance of new TdC Shares.

In implementing the Annual RSP Award and Annual PSP Award, the Scheme Committee may, in its absolute discretion, decide that the Annual RSP Award and Annual PSP Award be satisfied by any of the following methods:

- (i) issuance of new TdC Shares;
- (ii) acquisition of existing TdC Shares from the market; or
- (iii) a combination of issuance of new TdC Shares and acquisition of existing TdC Shares from the market.

For the avoidance of doubt, the Plan Shares to be issued and/or transferred to the Participants will not require any payment by the Participants to our Company. As such, no proceeds would be raised by our Company pursuant to the Proposed Share Grant Plan. However, the Participants shall be liable to pay any taxes (including income tax) and expenses arising from the grant of the Awards.

To facilitate the implementation of the Proposed Share Grant Plan, our Company will establish Trusts to be administered by the Trustee(s). The Trustee(s) shall, at such times as the Scheme Committee shall direct, subscribe for and/or purchase the necessary number of Plan Shares to accommodate any transfer of Plan Shares to the Participants.

The Trustee(s) shall administer the Trusts in accordance with the Trust Deeds. Our Company shall have the power to appoint or rescind the appointment of any Trustee(s) as it deems fit in accordance with the provisions of the Trust Deeds. The salient terms of the draft Trust Deeds are set out in Appendix II of this Circular.

The Plan Shares made available under an Annual RSP or Annual PSP (as the case may be) will be staggered over the Plan Period in order to encourage the Group Employees to remain in our Group and become a long-term stakeholder, thereby fostering a greater sense of involvement, dedication and loyalty to our Group.

3.1.4 Vesting of Plan Shares

The Vesting of the Plan Shares in respect of the Special RSP, Annual RSP and Annual PSP are as follows:

(i) **Special RSP**

A Participant to a Special RSP Award is granted the Special RSP Award on the Award Date. The Plan Shares granted pursuant to the Special RSP Award shall Vest in the Participant on the Special RSP Vesting Date and only once during the Plan Period.

(ii) **Annual RSP**

A Participant to an Annual RSP Award is granted the Annual RSP Award once the Scheme Committee is, in its sole discretion, satisfied that the Performance Conditions have been achieved. The Plan Shares granted pursuant to such Award shall Vest in the Participant on the Annual RSP Vesting Date(s) in accordance with the terms of the Award.

(iii) **Annual PSP**

A Participant to an Annual PSP Award is granted the Annual PSP Award once the Scheme Committee is, in its sole discretion, satisfied that the Performance Conditions have been achieved. The Plan Shares granted pursuant to such Award shall Vest in the Participant on the Annual PSP Vesting Date(s) in accordance with the terms of the Award.

3.1.5 Size of the issuance for the Proposed Share Grant Plan

During the existence of the Proposed Share Grant Plan, the total number of Plan Shares which may be made available under the Proposed Share Grant Plan shall not at any point in time in aggregate exceed ten percent (10%) of the issued and paid-up share capital of our Company (excluding treasury shares) during the Plan Period ("**Maximum Shares**").

In the event that our Company purchases or cancels its own Shares in accordance with the provisions of Section 67A of the Act or otherwise howsoever or undertakes any other corporate proposal resulting in the reduction of its issued and paid-up share capital, the following provisions shall apply in respect of future Awards but all TdC Shares granted pursuant to the Proposed Share Grant Plan prior to such purchases and/or the reduction/adjustment of the issued and paid-up share capital of our Company shall remain valid in accordance with the provisions of the Proposed Share Grant Plan as if that reduction/adjustment had not occurred:

- (i) if, after such purchase, cancellation or reduction, the aggregate number of TdC Shares in respect of Awards granted by our Company pursuant to the Proposed Share Grant Plan as at the date of purchase, cancellation or reduction of Shares is greater than the Maximum Shares, no further Awards shall be made by the Scheme Committee until such aggregate number of TdC Shares in respect of the Awards granted falls below the Maximum Shares; and
- (ii) if, after such purchase, cancellation or reduction, the aggregate number of TdC Shares in respect of Awards granted by our Company pursuant to the Proposed Share Grant Plan as at the date of purchase, cancellation or reduction of Shares is less than the Maximum Shares, the Scheme Committee may make further Awards but only until such aggregate number of TdC Shares in respect of the Awards granted pursuant to the Proposed

Share Grant Plan is equivalent to the Maximum Shares after such purchase, cancellation or reduction.

TdC Shares which are the subject of Awards which have elapsed for any reason whatsoever may be the subject of further Awards granted by the Scheme Committee under the Proposed Share Grant Plan.

3.1.6 Duration of the Proposed Share Grant Plan

The Proposed Share Grant Plan shall, commencing on the Adoption Date, continue to be in force for a period of eight (8) years, or such longer period not exceeding ten (10) years (in compliance with Paragraph 6.40 of the Listing Requirements) as may be extended by the Scheme Committee ("**Plan Period**"). On expiry of the Plan Period, any Plan Shares granted pursuant to any Award which has yet to be Vested shall be deemed cancelled and be null and void.

For clarification, the Special RSP shall automatically terminate and cease to have any effect upon the Vesting of the Plan Shares granted pursuant to the Special RSP in the Participants on the Special RSP Vesting Date.

3.1.7 Termination of the Proposed Share Grant Plan

Notwithstanding anything set out in the By-Laws and subject always to compliance with the Listing Requirements and any other relevant rules or requirements, the Proposed Share Grant Plan may be terminated at any time by the Scheme Committee during the Plan Period whereupon any Plan Shares granted pursuant to any Awards which have yet to be Vested shall be deemed cancelled and be null and void on the date specified in the notice of termination and if the Proposed Share Grant Plan is so terminated, no further Awards shall be granted by the Scheme Committee.

3.1.8 Review of Performance Conditions

In relation to a Special RSP Award to be granted under the Proposed Share Grant Plan, the Scheme Committee shall take into consideration the past performance of the relevant Eligible Person.

In relation to an Annual RSP Award or Annual PSP Award to be granted under the Proposed Share Grant Plan, the Scheme Committee shall review the Performance Conditions in respect of an Eligible Person and determine in its discretion:

- (i) whether the Performance Conditions have been satisfied and if so, the extent to which they have been satisfied;
- (ii) whether any other conditions applicable to a relevant Award have been satisfied; and
- (iii) the number of Plan Shares comprised in such Award to be Vested in the relevant Participant.

The Scheme Committee shall have full discretion to determine whether the Performance Conditions have been satisfied or exceeded and in making any such determination, the Scheme Committee shall have the right to make reference to (amongst others) the audited results of our Company or our Group (as the case may be) to take into account such factors as the Scheme Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend any Performance Conditions if the Scheme Committee decides that a changed performance target would be a fairer measure of performance.

If the Scheme Committee determines, in its sole discretion, that the Performance Conditions and/or any other condition have been satisfied, the Scheme Committee shall grant an Award to the Eligible Person.

3.1.9 Ranking of Plan Shares

New TdC Shares to be issued and existing TdC Shares acquired by our Company pursuant to the Proposed Share Grant Plan, via the Trustee(s), and pursuant to the Vesting of any Award shall:

- (i) be subject to all the provisions of the memorandum and articles of association of our Company; and
- (ii) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing TdC Shares, the record date, being the date fixed by our Company for the purposes of determining entitlements to dividends or other distributions to, or rights of, holders of TdC Shares, for which is on or after the Vesting Date, and shall in all other respects rank *pari passu* with other existing TdC Shares then in issue.

Notwithstanding any provision in the By-Laws, the Participants shall not be entitled to any rights attached to the TdC Shares prior to the date on which the TdC Shares are credited into the CDS Accounts of the respective Participants.

3.1.10 Adjustment events

If a variation in the share capital of our Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place or if our Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie), then the Scheme Committee may, in its sole discretion, determine whether:

- (i) the class and/or number of TdC Shares which are the subject of an Award to the extent not yet Vested; and/or
- (ii) the class and/or number of TdC Shares in respect of which future Awards may be granted under the Proposed Share Grant Plan,

shall be adjusted and if so, the manner in which such adjustments should be made.

Unless the Scheme Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or upon the exercise of any options or conversion of any loan stock or any other securities convertible into TdC Shares or subscription rights of any warrants, or the cancellation of issued TdC Shares purchased or acquired by our Company by way of a market purchase of such TdC Shares undertaken by our Company on Bursa Securities during the period when a share purchase mandate granted by the shareholders of our Company (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

3.1.11 Modifications to the By-Laws

Any or all the provisions of the By-Laws, may be modified and/or altered at any time and from time to time by a resolution of the Scheme Committee, except that:

- (i) no modification or alteration shall adversely affect the rights of a Participant in connection with an Award except with the consent in writing of such number of Participants who, if the Plan Shares granted pursuant to their Awards were Vested in them on the applicable Vesting Dates relating to their Awards,

would become entitled to not less than three-fourths ($3/4^{\text{ths}}$) in number of all the TdC Shares which are to be Vested on the relevant Vesting Dates applicable to all such outstanding Awards; .

- (ii) any modification or alteration which would increase the number of TdC Shares beyond the size of the Proposed Share Grant Plan or provide an advantage to any or all Participants, must be approved beforehand by the shareholders of our Company in general meeting; and
- (iii) all modifications or alterations shall be in compliance with the relevant rules and regulations in force at the relevant time and shall be subject to the approvals of any authorities, if required.

The opinion of the Scheme Committee as to whether any modification or alteration would adversely alter the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this Section 3.1.11 shall affect the right of the Scheme Committee under any other provision of the By-Laws to amend or adjust any Award.

Notwithstanding the above, the Scheme Committee may at any time by a resolution (and without other formality, save for the prior approval of any relevant authorities) amend or alter the By-Laws in any way to the extent necessary or desirable, in the opinion of the Scheme Committee, to cause the By-Laws to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body, including Bursa Securities.

Written notice of any modification or alteration made in accordance with this Section 3.1.11 shall be given to all Participants.

3.1.12 Administration of the Proposed Share Grant Plan

The Scheme Committee may do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions (not being inconsistent with the objectives of the Proposed Share Grant Plan) or delegate part of its powers relating to the administration of the Proposed Share Grant Plan or appoint any person(s) to assist with the administration of the Proposed Share Grant Plan, as the Scheme Committee may in its discretion deem fit, necessary and/or expedient for the implementation and administration of, and to give full effect to the Proposed Share Grant Plan.

Neither the Proposed Share Grant Plan nor Awards granted under the Proposed Share Grant Plan shall impose on our Company or the Scheme Committee or any of its members any liability whatsoever in connection with:

- (i) the lapsing of any Awards pursuant to any provision of the Proposed Share Grant Plan;
- (ii) the failure or refusal by the Scheme Committee to exercise, or the exercise by the Scheme Committee of, any discretion under the Proposed Share Grant Plan; and/or
- (iii) any decision or determination of the Scheme Committee made pursuant to any provision of the Proposed Share Grant Plan.

3.2 Proposed Amendment

The Proposed Amendment is undertaken to facilitate the implementation of the Proposed Share Grant Plan.

The Proposed Amendment entails the following amendment to Clause 3.33 of the memorandum of association of our Company:

Existing Clause 3.33	Proposed New Clause 3.33
<p>"3.33 To grant pensions, allowances, gratuities and bonuses to officers of the Company or to employees of the Company or the dependants of any such persons and to make payment towards insurance; to support or subscribe to any charitable or public institutions, clubs, societies or funds."</p>	<p>"3.33 To grant pensions, allowances, gratuities, bonuses and to allot and issue and/or transfer shares or securities to any past or serving officers of the Company or to employees of the Company or employees of any subsidiaries of the Company or to the relations, connections or dependants of any such persons and establish, maintain and/or support (financially or otherwise) share or share option/incentive schemes and trusts for the benefit of any such persons, or to make payment towards insurance; to support or subscribe to any charitable or public institutions, clubs, societies or funds."</p>

4. EFFECTS OF THE PROPOSED SHARE GRANT PLAN AND PROPOSED AMENDMENT

The Proposed Amendment will not have any effect on the share capital, substantial shareholders' shareholdings, NA per share, gearing, earnings and EPS of our Group.

The effects of the Proposed Share Grant Plan are set out below:

4.1 Issued and paid-up share capital

The issued and paid-up share capital of our Company may increase progressively depending on whether new TdC Shares are issued and allotted to satisfy the Awards. The maximum number of Plan Shares shall not at any point in time in aggregate exceed ten percent (10%) of the issued and paid-up share capital of our Company (excluding treasury shares) during the Plan Period.

For illustrative purposes only, assuming that the Plan Shares are fully granted and Vested under the Proposed Share Grant Plan by the issuance of new TdC Shares for delivery to the Participants, the effect of the Proposed Share Grant Plan on the issued and paid-up share capital of our Company as at the LPD is shown below:

	No of TdC Shares	Issued and paid-up share capital RM
As at the LPD	572,070,491	286,035,246
Upon full grant and Vesting of Plan Shares	57,207,049	28,603,525
Enlarged issued and paid-up share capital	629,277,540	314,638,771

If existing TdC Shares are purchased for delivery to the Participants to fully satisfy the Annual RSP Award and Annual PSP Award, our Company's issued and paid-up share capital shall only increase by the total number of the new TdC Shares issued pursuant to the Special RSP Award.

4.2 Substantial shareholders' shareholdings

The dilution to the shareholdings of TdC's substantial shareholders will depend on the number of new TdC Shares issued for delivery to the Participants at the relevant point in time pursuant to the Proposed Share Grant Plan.

In respect of the Special RSP Award, the substantial shareholders' shareholdings will be diluted depending on the number of new TdC Shares issued to the Participants to satisfy the Special RSP Award.

In respect of the Annual RSP Award and the Annual PSP Award, the substantial shareholders' shareholdings will be diluted only to the extent that there are new TdC Shares to be issued to satisfy these Awards.

4.3 NA per Share and gearing

The NA per Share will not be affected until such time as the Awards are granted pursuant to the Proposed Share Grant Plan. Any potential effect on the NA per Share will depend on the number of Shares to be awarded and the fair value of the Plan Shares granted.

The Proposed Share Grant Plan is not expected to have any effect on the gearing of our Group for the financial year ending 31 December 2012.

4.4 Earnings and EPS

According to the MFRS 2, the granting of the Awards pursuant to the Proposed Share Grant Plan requires the recognition of an expense which would affect future earnings of our Group.

However, the potential effect of the Proposed Share Grant Plan on consolidated EPS of our Group in the future, as a consequence of the recognition of the expense at each date of the grant of Award, cannot be determined at this juncture as it would depend on various factors that affect the fair value of the Plan Shares granted under the Proposed Share Grant Plan.

The Board has taken note of the potential effect of MFRS 2 on our Group's earnings and will take proactive measures to manage the effect on the consolidated EPS of our Group in granting the Awards.

4.5 Transaction Costs

The costs relating to the establishment of the Proposed Share Grant Plan are estimated to be approximately RM750,000 of which RM575,000 relate to professional and regulatory fees and RM175,000 relate to provision for EGM related expenses and contingencies.

5. MARKET PRICES OF TdC'S SHARES

The monthly highest and lowest closing price of TdC Shares as traded on Bursa Securities for the past twelve (12) months from June 2011 to May 2012 are as follows:

Month	High (RM)	Low (RM)
2011		
June	4.200	3.375
July	3.825	3.375
August	3.475	2.575
September	3.075	2.075
October	3.250	2.200
November	3.475	2.875
December	3.725	3.325
2012		
January	3.750	3.400
February	3.875	3.375
March	3.850	3.325
April	3.625	3.350
May	3.625	2.700

Note :

On 16 May 2012, TdC completed a series of corporate restructuring proposals, comprising:

- (i) Capital repayment of RM50,615,500 representing RM0.02 per TdC share with par value of RM1.00 each to the entitled shareholders of TdC pursuant to Sections 60 and 64 of the Act ("**Capital Repayment**");
- (ii) Capital restructuring comprising:
 - (a) Capital reduction of TdC's existing issued and paid-up share capital of RM2,530,775,000 comprising 2,530,775,000 TdC shares with par value of RM1.00 each via the cancellation of RM0.90 of the par value of each TdC share pursuant to Section 64 of the Act ("**Capital Reduction**");
 - (b) Set-off of TdC's share premium account against the accumulated losses of TdC ("**Share Premium Reduction**"); and
 - (c) Share consolidation of 2,530,775,000 TdC shares with par value of RM0.10 each in TdC (after the Capital Reduction) into 506,155,000 TdC Shares with par value of RM0.50 each, on the basis of five (5) TdC shares with par value of RM0.10 (after the Capital Reduction) into one (1) TdC Share with par value of RM0.50 ("**Share Consolidation**")

(collectively, (a), (b) and (c) are referred to as the "**Capital Restructuring**")

The monthly highest and lowest market prices of TdC shares set out above have reflected the effects of the Capital Repayment and the Capital Restructuring.

The last transacted market price of TdC Shares on 18 May 2012, being the last market day prior to the announcement of the Proposed Share Grant Plan on 21 May 2012, is RM2.71 per TdC Share.

The last transacted market price of TdC Shares on the LPD is RM3.05 per TdC Share.

(Source : Bloomberg)

6. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of our Company's Directors and/or major shareholders and/or Persons Connected with them has any interest, direct or indirect, in the Proposed Share Grant Plan and Proposed Amendment.

En. Afzal Abdul Rahim, the current Chief Executive Officer and sole Executive Director has declined to participate in the Proposed Share Grant Plan.

For clarification, Non-Executive Directors of TdC are not eligible to participate in the Proposed Share Grant Plan.

7. DIRECTORS' RECOMMENDATION

Our Board, having considered all aspects of the Proposed Share Grant Plan and Proposed Amendment including the rationale and the relevant aspects of the Proposed Share Grant Plan and Proposed Amendment, is of the opinion that the Proposed Share Grant Plan and Proposed Amendment are in the best interest of our Company. Accordingly, our Board recommends that you vote in favour of the resolutions pertaining to the Proposed Share Grant Plan and Proposed Amendment to be tabled at our forthcoming EGM.

8. APPROVALS REQUIRED

The Proposed Share Grant Plan is subject to the approvals being obtained from the following:

- (i) our shareholders at the EGM to be convened;

For clarification, this approval will allow our Company to grant the Awards in accordance with the By-Laws throughout the Plan Period;

- (ii) Bursa Securities for the listing of and quotation for such number of new TdC Shares to be issued from time to time pursuant to the Proposed Share Grant Plan, representing up to ten percent (10%) of the issued and paid-up share capital of our Company. The approval of Bursa Securities, which was obtained on 24 May 2012 is subject to the following conditions:

	<u>Conditions imposed</u>	<u>Status of compliance</u>
(a)	CIMB is required to submit a confirmation to Bursa Securities of full compliance of the Proposed Share Grant Plan pursuant to Paragraph 6.43(1) of the Listing Requirements and stating the effective date of implementation; and	To be complied
(b)	TdC to furnish Bursa Securities on a quarterly basis, a summary of the total number of shares listed as at the end of each quarter together with a detailed computation of listing fees payable.	To be complied
(iii)	Bursa Depository for the transfer of the Plan Shares from the Trustee(s) to the Participants pursuant to the Proposed Share Grant Plan at any point in time during the Plan Period; and	
(iv)	any other relevant parties / authorities, if required.	

The Proposed Share Grant Plan is conditional upon the Proposed Amendment but the Proposed Amendment is not conditional upon the Proposed Share Grant Plan.

The Proposals are not conditional upon any other corporate exercise being undertaken by our Company.

9. TIMEFRAME FOR IMPLEMENTATION OF THE PROPOSED SHARE GRANT PLAN

Barring any unforeseen circumstances and subject to obtaining all required approvals, our Company expects to implement the Proposed Share Grant Plan in the fourth (4th) quarter of 2012.

10. OUTSTANDING CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals, there is no outstanding corporate proposal, which has been announced by our Company but not yet completed prior to the printing of this Circular.

11. EGM

The resolutions pertaining to the Proposed Share Grant Plan and Proposed Amendment will be tabled at our forthcoming EGM which will be held at Saujana Ballroom, Ground Floor, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 28 June 2012 at 11.00 a.m. or immediately following the conclusion or adjournment (as the case may be) of our 15th AGM, which will be held at the same venue and on the same day at 10.00 a.m. or any adjournment thereof. The Notice of EGM and Form of Proxy are enclosed in this Circular.

If you are unable to attend and vote in person at the EGM, you should complete and return the Form of Proxy enclosed in this Circular in accordance with the instructions therein as soon as possible and so as to arrive at our Share Registrar's office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty eight (48) hours before the time set for holding the general meeting or adjourned meeting, or in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default, the instrument of proxy shall not be treated as valid.

The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently wish to do so.

12. ADDITIONAL INFORMATION

You are advised to refer to the attached appendices for additional information.

Yours faithfully,
For and on behalf of the Board of
TIME dotCom Berhad

Afzal Abdul Rahim
Non-Independent, Executive Director and Chief Executive Officer

APPENDIX I

DRAFT BY-LAWS OF THE PROPOSED SHARE GRANT PLAN

DRAFT BY-LAWS OF THE PROPOSED SHARE GRANT PLAN

TdC - Special RSP By-Laws

TIME DOTCOM BERHAD (Company No. 413292-P)

Special Restricted Share Plan for Eligible Employees

Outline

1. Implementation of the Special RSP
2. Definitions
3. Objective of the Special RSP
4. Eligibility
5. Grant of Awards
6. Events Prior to Vesting Date
7. Vesting Of Awards
8. Limitation on Size
9. Adjustment Events
10. Scheme Committee
11. Notices and Communications
12. Modification to the Special RSP
13. Terms of Employment Unaffected
14. Duration of the Special RSP
15. Taxes
16. Costs and Expenses of the Special RSP
17. Disclaimer of Liability
18. Disclosure in Annual Report
19. Disputes
20. Governing Law
21. Implementation of the Special RSP and Trust

DRAFT BY-LAWS OF THE SPECIAL RESTRICTED SHARE PLAN

1 IMPLEMENTATION OF THE SPECIAL RSP

The Special RSP shall be implemented in accordance with the by-laws set out herein.

2 DEFINITIONS

2.1 Unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Act” : Companies Act 1965, as amended from time to time and any re-enactment thereof.
- “Adoption Date” : The date on which the plan is adopted by the Company in accordance with By-Law 14.1.
- “Adviser” : A corporate finance adviser that may act as a principal adviser engaged by the Company under the Securities Commission’s Principal Adviser Guidelines.
- “Annual RSP” : The Annual Restricted Share Plan adopted or to be adopted by the Company as may be modified or altered from time to time.
- “Annual PSP” : The Annual Performance Share Plan adopted or to be adopted by the Company as may be modified or altered from time to time.
- “Associate Company” : An “Associate” defined under the accounting standards issued or adopted by the Malaysian Accounting Standards Board.
- “Award” : An award of TdC Shares granted under By-Law 5.
- “Award Date” : The date of the Award Letter.
- “Award Letter” : A letter issued to a Participant pursuant to By-Law 5.4.

“Board”	:	The board of directors of the Company.
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd.
“Bursa Securities”	:	Bursa Malaysia Securities Berhad.
“By-Laws”	:	The By-Laws of the Special RSP.
“CDS Account”	:	The account established by Bursa Depository for the recording of the deposit and withdrawal of securities and dealing for in such securities by the depositor.
“Chief Executive Officer” or “CEO”	:	The principal executive officer of the Company, by whatever name called, whether or not he is a director.
“Communication”	:	The Award Letters, notice, and/or any correspondence made or to be made under the Special RSP (individually or collectively).
“Company” or “TdC”	:	TIME dotCom Berhad (Company No. 413292-P), a company incorporated in Malaysia.
“Eligible Person”	:	A Group Employee who fulfils or is exempted from the conditions of eligibility pursuant to By-Law 4.
“Group”	:	The Company and its subsidiaries (excluding any companies which are dormant) and where the context permits or requires, any one or more of them.
“Group Employee”	:	An individual who falls within any of the following categories: <ul style="list-style-type: none"> (a) an employee of the Group; or (b) an employee who serves under an employment contract for a fixed duration; or (c) an employee of the Group who is seconded to another company outside the Group.
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities.
“Main Market”	:	Main Market of Bursa Securities.

“Market Day”	:	A day on which Bursa Securities is open for trading in securities.
“Maximum Shares”	:	The maximum number of TdC Shares which may be issued at any one time for the purposes of the Special RSP, as identified in By-Law 8.1.
“Nomination and Remuneration Committee”	:	Nomination and Remuneration Committee of the Company.
“Non-Executive Director”	:	A non-executive director of the Company.
“Participant”	:	The holder of an Award (including, where applicable, the executor or personal representative of such holder).
“Persons Connected”	:	Persons connected as defined in paragraph 1.01 of the Listing Requirements.
“Plan Period”	:	The duration of the respective share plans as specified in By-Law 14.2.
“Record Date”	:	The date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to, or rights of, holders of TdC Shares.
“RM”	:	Ringgit Malaysia.
“Scheme Auditors”	:	The auditors of the Company for the time being or, in the event they are unable or unwilling to carry out any action requested of them pursuant to the provisions of these By-Laws, such other auditors as may be nominated by the Board for that purpose.
“Scheme Committee”	:	A committee appointed by the Board to administer the Special RSP.

- “Special RSP” : The Special Restricted Share Plan adopted or to be adopted by the Company as may be modified or altered from time to time.
- “Share Grant Plan” : A share grant plan of up to ten percent (10%) of the issued and paid-up share capital of the Company (excluding treasury shares) at any point in time during the Plan Period comprising the Special RSP, Annual RSP and Annual PSP.
- “Subsidiary” : Subsidiary of the Company within the meaning of Section 5 of the Act and shall include subsidiaries as at the Adoption Date and those subsequently acquired or incorporated at any time during the subsistence of the Special RSP.
- “TdC Shares” : Ordinary shares in the capital of the Company.
- “Trust” : A trust to be established by the Company, to facilitate the implementation of the Special RSP, where the services of a Trustee are required.
- “Trust Deed” : The document constituting the Trust referred to in By-Law 21.2 and includes the terms and conditions of the Trust.
- “Trustee” : The Trustee for the time being appointed to be the trustee for the Special RSP pursuant to By-Law 21.
- “Vesting” : Refers to the issuance and/or crediting (as the case may be) of TdC Shares in the CDS Account of the Participant and “Vest” and “Vested” shall be construed accordingly.
- “Vesting Date” : The date specified for the crediting of TdC Shares into the CDS Account of a Participant, as may be determined by the Scheme Committee.
- “year” : Calendar year, unless otherwise stated.

"%" : Per centum or percentage.

- 2.2 Words importing the singular number shall, where applicable, include the plural number and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.
- 2.3 Any reference to a time of a day in the Special RSP is a reference to Malaysian Standard Time.
- 2.4 Any reference in the Special RSP to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in the Special RSP and used in the Special RSP shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

3 OBJECTIVE OF THE SPECIAL RSP

The objective of the Special RSP is to act as a share reward scheme by recognising and rewarding qualified employees of the Group for past services and/or whose efforts during the course of their employment have contributed significantly to the turnaround of the Group. By giving such qualified employees shares in the Company, these employees will have an opportunity to have a personal equity interest in the Company.

4 ELIGIBILITY

- 4.1 Group Employees who meet the following criteria shall be eligible for consideration and/or selection as a Participant in the Special RSP, at the absolute discretion of the Scheme Committee:
- (a) if he was an employee of the Group as at 31 December 2009 and as at the date of the Award, continues to be employed by the Group; and/or
 - (b) if he has contributed significantly to the turnaround of the Group; and/or
 - (c) if he meets any other criteria and/or falls within such category as may be determined by the Scheme Committee in its sole discretion from time to time.

- 4.2 Notwithstanding the above criteria, the Scheme Committee may, in its sole discretion, waive the applicability of any criterion with respect to any employee.
- 4.3 Eligibility for consideration under the Special RSP does not confer any Group Employee with any rights whatsoever under or to participate in the Special RSP or to the Award. The Scheme Committee shall take into consideration the objectives of the Special RSP when determining the criteria for eligibility and notwithstanding the foregoing, the Scheme Committee shall have the right to decide on the Awards at its absolute discretion.
- 4.4 If required by the Listing Requirements, the participation of directors, the CEO, major shareholders or persons connected to a director, the CEO, major shareholders of the Group in the Special RSP shall first be approved by the shareholders in a general meeting in accordance with the Listing Requirements.

5 GRANT OF AWARDS

- 5.1 The Scheme Committee may grant Awards to Eligible Persons as the Scheme Committee may select. Awards granted under the Special RSP are offered once to Eligible Persons and shall terminate in accordance with By-Law 14.2.
- 5.2 The number of TdC Shares which are the subject of each Award shall be determined at the absolute discretion of the Scheme Committee. The Scheme Committee shall take into consideration the objective of the Special RSP when determining the number of TdC Shares which are the subject of each Award to be granted to a Participant. Subject to any adjustments which may be made under Rule 9, the aggregate number of TdC Shares that may be allocated to a Group Employee who, either singly or collectively through Persons Connected with the Group Employee, holds 20% or more of the issued and paid-up capital (excluding treasury shares) of the Company, shall not exceed 10% of the total number of TdC Shares to be made available under the Special RSP or any other share option or share grant schemes implemented or to be implemented by the Company.

- 5.3 The Scheme Committee shall decide in relation to an Award:
- (a) the Participant;
 - (b) the Award Date;
 - (c) the number of TdC Shares which are the subject of the Award;
 - (d) the Vesting Date(s), if any; and
 - (e) any other condition which the Scheme Committee may determine in its sole discretion in relation to that Award.
- 5.4 Upon determination of the matters set out in By-Law 5.3, the Scheme Committee shall send or cause to be sent to each Eligible Person a letter specifying in relation to the Award, the matters determined by the Scheme Committee in By-Law 5.3.
- 5.5 Participants are not required to pay for TdC Shares made available pursuant to the Special RSP whether such payment is for the application or acceptance or subscription of such TdC Shares but the Participant shall be liable to pay any taxes (including income tax) and expenses arising from TdC Shares being made available to a Participant, referred to in By-Law 15 and 16.
- 5.6 An Award shall be personal to the Participant to whom it is granted and, prior to the allotment to the Participant of the TdC Shares to which the Award relates, shall not be allotted to or transferred (other than to a Participant's personal representative on the death of the Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Scheme Committee and if a Participant shall do so, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award without the prior approval of the Scheme Committee, that Award shall immediately lapse.
- 5.7 In the event of any error in the Award or adjustment arising pursuant to By-Law 9.4, the Scheme Committee may issue a supplemental Award stating the correct or adjusted particulars of the Award (as the case may be).

6 EVENTS PRIOR TO THE VESTING DATE

6.1 In the event that:

- (a) an order is made for the winding-up of the Company on the basis, or by reason of, its insolvency; or
- (b) subject to By-Law 6.3(b), the Participant (being a Group Employee) ceases at any time to be in the employment of the Group for any reason whatsoever,

an Award, in respect of TdC Shares that have not been Vested, shall immediately lapse without any claim whatsoever against the Company, unless the Scheme Committee determines, in its absolute discretion that the Award shall be preserved, notwithstanding the occurrence of the event in By-Law 6.1(b).

6.2 For the purposes of By-Law 6.1(b), the Participant shall be deemed to have ceased to be so employed as of the date the notice of termination of employment is tendered by or is given to him, unless such notice is withdrawn prior to its effective date.

6.3 In any of the following events, namely:

- (a) the bankruptcy of a Participant;
- (b) where the Participant (being a Group Employee) ceases to be in the employment of the Group at any time by reasons of:
 - (i) ill health, injury or disability (physical or mental, in each case, evidenced to the satisfaction of the relevant Group company);
 - (ii) redundancy;
 - (iii) retirement at or after legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the relevant Group company;
 - (v) the company by which he is employed ceasing to be a company within the Group or the undertaking or part of the undertaking of

such company being transferred otherwise than to another company within the Group;

- (vi) the Participant being transferred or seconded to an Associate Company or a company which is outside the Group; or
 - (vii) any other event declared by the Scheme Committee.
- (c) in the event of misconduct on the part of a Participant as determined by the relevant Group company in its discretion; or
- (d) the death of a Participant; or
- (e) any other event as may be declared by the Scheme Committee,

then, the Scheme Committee may, in its absolute discretion determine whether an Award then held by such Participant, to the extent that there are TdC Shares that have not been Vested, shall either lapse or be preserved.

6.4 If the Scheme Committee determines under By-Law 6.3 that an Award shall lapse, then such TdC Shares that have not been Vested shall lapse without any claim whatsoever against the Company and that the affected Participant shall have no claim, right or cause of action against the Company or the Scheme Committee, whether jointly or severally. If the Scheme Committee determines that all or any part of the unvested TdC Shares shall be preserved, the Scheme Committee shall determine the date by which the unvested TdC Shares shall be credited to the CDS Account of the affected Participant. In exercising its discretion, the Scheme Committee will have regard to all circumstances on a case-by-case basis, including (but not limited) the contribution made by that Participant.

6.5 If before a Vesting Date, any of the following occurs:

- (a) a take-over offer for the TdC Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation

with another company or companies being approved by shareholders of the Company and/or sanctioned by the court order under the Act; or

- (c) an order being made or a resolution passed for the winding-up of the Company (other than as provided in By-Law 6.1 (a) or for amalgamation or reconstruction);

the Scheme Committee will take into account all relevant circumstances in considering, at its discretion, whether or not to Vest any TdC Shares. Where the Scheme Committee determines that TdC Shares shall be Vested, the Scheme Committee will, as soon as practicable, procure the allotment to each Participant of the number of TdC Shares so determined in accordance with By-Law 7.

7 VESTING OF AWARDS

7.1 Delivery of Shares

In respect of TdC Shares that are to be Vested, the Scheme Committee shall, not later than eight (8) Market Days after the issuance of the Award Letter (or such period as may be prescribed or allowed by Bursa Securities) procure the following:

- (a) credit the relevant number of TdC Shares as set out in the Award Letter into the Participant's CDS Account;
- (b) despatch a notice of allotment of such TdC Shares to the Participant; and
- (c) make an application for the listing of and quotation for such relevant number of TdC Shares (where applicable).

7.2 Ranking of TdC Shares

New TdC Shares allotted and issued pursuant to any Award shall:

- (a) be subject to all the provisions of the memorandum and articles of association of the Company; and

- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing TdC Shares, the Record Date for which is on or after the Vesting Date, and shall in all other respects rank pari passu with other existing TdC Shares then in issue.

7.3 Rights to TdC Share

Notwithstanding any provision in the Rules, the Participants shall not be entitled to any rights attached to the TdC Shares prior to the date on which the TdC Shares are credited into the CDS Accounts of the respective Participants.

8 LIMITATION ON THE SIZE OF THE SPECIAL RSP

8.1 During the existence of the Special RSP, the total number of new TdC Shares which may be made available pursuant to Awards granted under the Share Grant Plan on any date, when added to, in its entirety, the total number of new TdC Shares which may be made available, shall not exceed 10% of the total number of issued and paid-up shares (excluding treasury shares) of the Company at any one time for the duration of the Share Grant Plan ("Maximum Shares").

8.2 In the event that the Company purchases or cancels its own TdC Shares in accordance with the provisions of Section 67A of the Act or otherwise howsoever or undertakes any other corporate proposal resulting in the reduction of its issued and paid-up share capital, the following provisions shall apply in respect of future Awards but all the TdC Shares granted pursuant to the Special RSP prior to such purchases and/or the reduction/adjustment of the issued and paid-up share capital of the Company shall remain valid in accordance with the provisions of the Special RSP as if that reduction/adjustment had not occurred:

- (a) if, after such purchase, cancellation or reduction, the aggregate number of TdC Shares in respect of Awards granted by the Company pursuant to the Special RSP (and/or pursuant to any other similar schemes to be implemented from time to time by the Company) as at the date of purchase, cancellation or reduction of TdC Shares is greater than the Maximum Shares, no further Awards shall be made by the Scheme Committee until such

aggregate number of TdC Shares in respect of the Awards granted falls below the Maximum Shares; and

- (b) if, after such purchase, cancellation or reduction, the aggregate number of TdC Shares in respect of Awards granted by the Company pursuant to the Special RSP (and/or pursuant to any other similar schemes to be implemented from time to time by the Company) as at the date of purchase, cancellation or reduction of TdC Shares is less than the Maximum Shares, the Scheme Committee may make further Awards but only until such aggregate number of TdC Shares in respect of the Awards granted pursuant to the Special RSP (and/or pursuant to any other similar schemes to be implemented from time to time by the Company) is equivalent to the Maximum Shares after such purchase, cancellation or reduction.

8.3 TdC Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Scheme Committee under the Special RSP.

9 ADJUSTMENT EVENTS

9.1 If a variation in the ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place or if the Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie), then the Scheme Committee may, in its sole discretion, determine whether:

- (a) the class and/or number of TdC Shares which are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of TdC Shares in respect of which future Awards may be granted under the Special Annual RSP,

shall be adjusted and if so, the manner in which such adjustments should be made.

- 9.2 Unless the Scheme Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or upon the exercise of any options or conversion of any loan stock or any other securities convertible into TdC Shares or subscription rights of any warrants, or the cancellation of issued TdC Shares purchased or acquired by the Company by way of a market purchase of such TdC Shares undertaken by the Company on Bursa Securities during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.
- 9.3 Notwithstanding the provisions of By-Law 9.1, any adjustment (except in relation to a capitalization issue) must be confirmed in writing by either the Scheme Auditors or the Advisers (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
- 9.4 Upon any adjustment required to be made pursuant to this By-Law 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of TdC Shares which are the subject of the adjusted Award. Any adjustment shall take effect upon such written notification being given or on such date as may be specified in such written notification.
- 9.5 In the event that a fraction of a TdC Share arises from the adjustments pursuant to this By-Law 9, the number of TdC Shares comprised in an Award shall automatically be rounded down to the nearest whole number.

10 SCHEME COMMITTEE

- 10.1 The Special RSP shall be administered by the Scheme Committee in its absolute discretion with such powers and duties as are conferred on it by the Board from time to time.
- 10.2 No member of the Scheme Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to himself.

- 10.3 The Board shall have power at any time and from time to time to:
- (a) approve, rescind and/or revoke the appointment of any member of the Scheme Committee and appoint replacement members to the Scheme Committee; and
 - (b) assume and/or exercise or execute any of the powers and authorities conferred upon the Scheme Committee pursuant to these Rules.
- 10.4 For the purposes of administering the respective share plans, the Scheme Committee may do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions (not being inconsistent with the objectives of the Special RSP) or delegate part of its power relating to the administration of the Special RSP or appoint any person(s) to assist with the administration of the Special RSP, as the Scheme Committee may in its discretion deem fit, necessary and/or expedient for the implementation and administration of, and to give full effect to the Special RSP.
- 10.5 The Scheme Committee shall maintain all records relating to the implementation and administration of the Special RSP, including without limitation, minutes of meetings, resolutions, data relating to the granting of Awards and all correspondence in respect of the same.
- 10.6 Any matter pertaining or pursuant to the Special RSP and any dispute and uncertainty as to the interpretation of the Special RSP or any rule, regulation or procedure thereunder or any rights under the respective share plans shall be determined by the Scheme Committee.
- 10.7 Neither the Special RSP nor Awards granted under the Special RSP shall impose on the Company or the Scheme Committee or any of its members any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the Special RSP;

- (b) the failure of refusal by the Scheme Committee to exercise, or the exercise by the Scheme Committee of, any discretion under the Special RSP; and/or
 - (c) any decision or determination of the Scheme Committee made pursuant to any provision of the Special RSP.
- 10.8 Any decision, declaration or determination of the Scheme Committee (including the exercise of its discretion) made pursuant to any provision of the Special RSP (other than a matter to be certified by the Scheme Auditors) must be arrived at by way of a simple majority of the members of the Scheme Committee and shall in the absence of manifest error, be final, binding and conclusive (including for the avoidance of doubt, any decisions pertaining to dispute as to the interpretation of any rule, regulation or procedure hereunder or as to any rights under the Special RSP). The Scheme Committee shall not be required to furnish any reasons for the exercise of its discretion or for any decision or determination made by it.
- 10.9 The performance of any obligations provided herein may be delayed, prohibited, or become impossible by reason of events beyond the reasonable control of the Company or the Scheme Committee.

11 NOTICES AND COMMUNICATIONS

- 11.1 Any notice required to be given by the Participant to the Company shall be sent or made to the registered office of the Company or such other address (including an electronic mail address) or facsimile number, and marked for the attention of the Scheme Committee, as may be notified by the Company to the Participant in writing.
- 11.2 Any notice or documents required to be given to a Participant or any correspondence to be made between the Company and a Participant shall be given or made by the Scheme Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to a Participant by hand or sent to a Participant at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number provided by the Participant to the Company.

- 11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice of communication from the Company to a Participant shall be deemed to be received by the Participant, when left at the address specified in By-Law 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail on the date and time at which the electronic mail was sent, without any express return message or notice from the applicable host or service provider that the electronic mail has failed to be delivered to the recipient or, if sent by facsimile transmission, on the day of despatch, with the receipt of a transmission confirmation slip indicating that the notice has been transmitted in its entirety to the receiver's facsimile number.
- 11.4 It shall be the Participant's sole responsibility to ensure that all information contained in a Communication is complete, accurate, current, true and correct. The Company shall be under no obligation to investigate the authenticity or authority of persons effecting the Communication to the Company or to verify the accuracy and completeness of the Communication and the Company may treat the Communication as valid and binding on the Participant, notwithstanding any error, fraud, forgery, lack of clarity or misunderstanding in the terms of such Communication.
- 11.5 The Company's records of the Communications, and its record of any transactions maintained by any relevant person authorized by the Company relating to or connected with the Special RSP, whether stored in electronic or printed form, shall be binding and conclusive on a Participant and shall be conclusive evidence of such Communications and/or transactions. All such records shall be admissible in evidence and the Participant shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were incorporated and/or set out in electronic form or were produced by or are the output of a computer system, and the Participant waives any of his rights (if any) to so object.

12 MODIFICATION TO THE SPECIAL RSP

12.1 Any or all of the provisions of the Special RSP, may be modified and/or altered at any time and from time to time by a resolution of the Scheme Committee, except that:

- (a) no modification or alteration shall adversely affect the rights of a Participant in connection with an Award except with the consent in writing of such number of Participants who, if TdC Shares pursuant to their Award were Vested on the applicable Vesting Dates relating to their Awards, would become entitled to not less than three-quarters in number of all the TdC Shares which are to be Vested on the relevant Vesting Date applicable to all such outstanding Awards;
- (b) any modification or alteration which would increase the number of TdC Shares beyond the size of the Special RSP in By-Law 8 or provide an advantage to any or all Participants must be approved beforehand by the Company's shareholders in general meeting; and
- (c) all modifications or alterations shall be in compliance with the relevant rules and regulations in force at the relevant time and shall be subject to the approvals of any authorities (if required).

For the purposes of By-Law 12.1(a), the opinion of the Scheme Committee as to whether any modification or alteration would adversely alter the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this By-Law 12.1 shall affect the right of the Scheme Committee under any other provision of the Special RSP to amend or adjust any Award.

12.2 Notwithstanding anything to the contrary contained in By-Law 12.1, the Scheme Committee may at any time by a resolution (and without other formality, save for the prior approval of any relevant authorities) amend or alter the Special RSP in any way to the extent necessary or desirable, in the opinion of the Scheme Committee, to cause the Special RSP to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment or modification to

the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including Bursa Securities).

- 12.3 Written notice of any modification or alteration made in accordance with this By-Law 12 shall be given to all Participants.

13 TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant (being a Group Employee) shall not be affected by his participation in the Special RSP, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

14 DURATION OF THE SPECIAL RSP

- 14.1 The Special RSP shall take effect on the date on which the last of the following approvals and/or conditions shall have been obtained and/or complied with ("Adoption Date"):

- (a) approval of Bursa Securities for the listing of and quotation for any new TdC Shares to be issued pursuant to the Special RSP at any point in time during the existence of the Special RSP;
- (b) approval of the shareholders of the Company;
- (c) the submission to Bursa Securities of the final copy of the By-Laws;
- (d) approval of Bursa Depository for the transfer of TdC Shares from the Trustee to the Participants pursuant to the Vesting of TdC Shares under Special RSP at any point in time during the existence of the Special RSP;
- (e) any other relevant regulatory authorities' approval, where applicable; and
- (f) fulfilment of all conditions attached to the above approvals (if any).

Thereafter, within five (5) Market Days from the Adoption Date, the Company shall through the Adviser, submit a confirmation to Bursa Securities of full compliance with the approvals and/or conditions abovementioned stating the Adoption Date,

together with a certified true copy of the relevant resolution passed by the shareholders of the Company in the general meeting approving the Special RSP.

- 14.2 Subject to By-Law 14.1 above, the Special RSP shall commence on the Adoption Date and continue to be in force for eight (8) years or such longer period as may be extended by the Scheme Committee or as may be allowed by the relevant authorities ("Plan Period") provided always that the maximum duration of the respective share plans shall not be more than ten (10) years from the Adoption Date. On expiry of the Plan Period, any TdC Shares granted pursuant to any Awards which have yet to be Vested (whether fully or partially) shall be deemed cancelled and be null and void and the Company shall not be under any obligation to take any action in respect of TdC Shares that have not been Vested.
- 14.3 Notwithstanding any other provision, the Special RSP is intended to be offered once to Eligible Persons and be in force for the purposes of implementation. The Special RSP shall automatically terminate after issuance of all TdC Shares pursuant to the Special RSP to Participants.

15 TAXES

All taxes (including income tax) arising from the grant of an Award to a Participant under the Special RSP (or arising from the issuance of TdC Shares other than the expense expressly provided herein or otherwise howsoever) shall be borne by the Participant.

16 COSTS AND EXPENSES OF THE SPECIAL RSP

- 16.1 Each Participant shall bear all expenses relating to or in connection with the opening and maintenance of the CDS Account, brokerage charges, fees, stamp duties on any subsequent transactions undertaken by the Participant after TdC Shares have been credited to the CDS Account of the Participant.
- 16.2 The Company shall bear all fees, costs and expenses incurred in relation to the Special RSP which are expressly provided for in the Special RSP.

17 DISCLAIMER OF LIABILITY

The Company, the Board (including directors who have resigned but were directors of the Company during the term of the Special RSP), the Scheme Committee (including any person administering the Special RSP under the instructions of the Scheme Committee pursuant to By-Law 10) and the Trustee shall not under any circumstances be held liable to a Group Employee, a Participant or any other person for any costs, losses, taxes, expenses, damages, or liabilities, gains or profits foregone howsoever arising in the event of any delay on the part of the Company in allotting and issuing the TdC Shares or in procuring the Bursa Securities to list the new TdC Shares made available to a Participant or for any delay in crediting the TdC Shares into a the CDS Account of a Participant or delivering the TdC Shares or the continued listing of the Shares on Bursa Securities or any other matter or dealing which is outside the control of the Company, in accordance with the Special RSP.

18 DISCLOSURE IN ANNUAL REPORT

The Company will make such disclosures in its annual report for as long as the Special RSP continues in operation as from time to time required by the Listing Requirements including (where applicable) a statement by the audit committee verifying that the allocation of TdC Shares pursuant to the Special RSP is in compliance with the criteria for allocation by the Company to the Participant.

19 DISPUTES

Any disputes or differences arising hereunder shall be referred to the Scheme Committee whose decision shall be final and binding in all respects.

20 GOVERNING LAW

The Special RSP shall be governed by, and construed in accordance with, the laws of Malaysia.

21 IMPLEMENTATION OF THE SPECIAL RSP AND TRUST

21.1 In implementing the Special RSP, the Awards shall be satisfied by way of issuance of new TdC Shares as fully paid-up.

- 21.2 The Board and/or the Scheme Committee may establish a Trust to be administrated by the Trustee in respect of any action required to be taken to facilitate the implementation of the Special RSP which the Company is unable to perform, consisting of such trustee appointed by the Company from time to time for purposes of subscribing for new TdC Shares and transferring them to the Participants at such time as the Scheme Committee may direct. To enable the Trustee to subscribe for new TdC Shares for purposes of implementing the Special RSP and to pay expenses in relation to the administration of the Trust, the Trustee will, to the extent permitted by law, be entitled from time to time to accept funding and/or assistance, financial or otherwise, from the Company, its subsidiaries and/or third parties.
- 21.3 The Trustee shall exercise the voting rights attached to such TdC Shares in such manner and extent as may be directed by the Scheme Committee in writing.
- 21.4 The Trustee shall administer the Trust in accordance with the Trust Deed. For purposes of administering the Trust, the Trustee shall do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements and make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the Trust as the Scheme Committee may in its discretion direct for the implementation and administration of the Trust.
- 21.5 The Company shall have power from time to time to appoint or rescind the appointment of any Trustee as it deems fit in accordance with the provisions of the Trust Deed.
- 21.6 The Company will use all reasonable efforts to make available/ensure that the Trustee has available sufficient TdC Shares for vesting in the Participants on the Vesting Dates when the respective share plans are in force.

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TIME DOTCOM BERHAD (Company No. 413292-P)

Annual Restricted Share Plan & Annual Performance Share Plan for Eligible Employees

Outline

1. Implementation of the Annual RSP & Annual PSP
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DRAFT BY-LAWS OF THE ANNUAL RESTRICTED SHARE PLAN & ANNUAL PERFORMANCE SHARE PLAN

1 IMPLEMENTATION OF THE ANNUAL RSP & ANNUAL PSP

The Annual RSP and Annual PSP shall be implemented in accordance with the rules set out herein.

2 DEFINITIONS

2.1 Unless the context otherwise requires, the following words and expressions shall have the following meanings:

- “Act” : Companies Act 1965, as amended from time to time and any re-enactment thereof.
- “Adoption Date” : The date on which the plan is adopted by the Company in accordance with By-Law 14.
- “Adviser” : A corporate finance adviser that may act as a principal adviser engaged by the Company under the Securities Commission’s Principal Adviser Guidelines.
- “Annual RSP” : The Annual Restricted Share Plan adopted or to be adopted by the Company as may be modified or altered from time to time.
- “Annual PSP” : The Annual Performance Share Plan adopted or to be adopted by the Company as may be modified or altered from time to time.
- “Associate Company” : An “Associate” defined under the accounting standards issued or adopted by the Malaysian Accounting Standards Board.
- “Award” : An award of TdC Shares granted pursuant to either the Annual RSP or the Annual PSP (as the case may be).

“Award Date”	:	The date of the Award Letter.
“Award Letter”	:	A letter issued to a Participant pursuant to By-Law 5.4.
“Board”	:	The board of directors of the Company.
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd.
“Bursa Securities”	:	Bursa Malaysia Securities Berhad.
“By-Laws”	:	The By-Laws of the Annual RSP and the Annual PSP as set out herein.
“CDS Account”	:	The account established by Bursa Depository for the recording of the deposit and withdrawal of securities and dealing for in such securities by the depositor.
“Chief Executive Officer” or “CEO”	:	The principal executive officer of the Company, by whatever name called, whether or not he is a director.
“Communication”	:	The Award Letters, notice, and/or any correspondence made or to be made under these By-Laws (individually or collectively).
“Company” or “TdC”	:	TIME dotCom Berhad (Company No. 413292-P), a company incorporated in Malaysia.
“Director”	:	Members of the Board, and where the context permits or requires, any one or more of them.
“Eligible Person”	:	A Group Employee or an Executive Director (as the case may be) who fulfils or is exempted from the conditions of eligibility pursuant to By-Law 4.
“Executive Director”	:	An executive director of the Company.
“Group”	:	The Company and its subsidiaries (excluding any companies which are dormant) and where the context permits or requires, any one or more of them.

“Group Employee”	: An individual who falls within any of the following categories: (a) an employee of the Group; or (b) an employee who serves the Group under an employment contract for a fixed duration; or (c) an employee of the Group who is seconded to another company outside the Group.
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities.
“Main Market”	: Main Market of Bursa Securities.
“Market Day”	: A day on which Bursa Securities is open for trading in securities.
“Maximum Shares”	: The maximum number of TdC Shares which may be issued at any one time for the purposes of the Annual RSP and the Annual PSP, as identified in By-Law 8.1.
“Nomination and Remuneration Committee”	: Nomination and Remuneration Committee of the Company.
“Non-Executive Director”	: A non-executive director of the Company.
“Participant”	: The holder of an Award (including, where applicable, the executor or personal representative of such holder).
“Persons Connected”	: Persons connected as defined in paragraph 1.01 of the Listing Requirements.
“Plan Period”	The duration of the respective share plans as specified in By-Law 14.2.

- “Record Date” : The date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to, or rights of, holders of TdC Shares.
- “RM” : Ringgit Malaysia.
- “Scheme Auditors” : The auditors of the Company for the time being or, in the event they are unable or unwilling to carry out any action requested of them pursuant to the provisions of these By-Laws, such other auditors as may be nominated by the Board for that purpose.
- “Scheme Committee” : A committee appointed by the Board to administer the Annual RSP and the Annual PSP.
- “Share Grant Plan” : A share grant plan of up to ten per cent (10%) of the issued and paid-up share capital of the Company (excluding treasury shares) at any point in time during the Plan Period comprising the Special RSP, Annual RSP and Annual PSP.
- “Special RSP” : The Special Restricted Share Plan adopted or to be adopted by the Company as may be modified or altered from time to time.
- “Subsidiary” : Subsidiary of the Company within the meaning of Section 5 of the Act and shall include subsidiaries as at the Adoption Date and those subsequently acquired or incorporated at any time during the subsistence of the respective share plans.
- “TdC Shares” : Ordinary shares in the capital of the Company.
- “Trust” : A trust to be established by the Company, to facilitate the implementation of the Annual RSP and Annual PSP, where the services of a Trustee are required.

- “Trust Deed” : The document constituting the Trust referred to in By-Law 21.2 and includes the terms and conditions of the Trust.
- “Trustee” : The Trustee for the time being appointed to be the trustee for the Annual RSP and Annual PSP pursuant to By-Law 21.
- “Vesting” : Refers to the issuance and/or crediting (as the case may be) of TdC Shares in the CDS Account of the Participant and “Vest” and “Vested” shall be construed accordingly.
- “Vesting Date” : The date specified for the crediting of the TdC Shares into the CDS Account of a Participant, as may be determined by the Scheme Committee.
- “year” : Calendar year, unless otherwise stated.
- “%” : Per centum or percentage.

2.2 Words importing the singular number shall, where applicable, include the plural number and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.

2.3 Any reference to a time of a day in these By-Laws is a reference to Malaysian Standard Time.

2.4 Any reference in these By-Laws to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in these By-Laws and used in these By-Laws shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

3 OBJECTIVE OF THE ANNUAL RSP AND ANNUAL PSP

3.1 The objective of the Annual RSP is to, act as an incentive for, recognise and retain appropriate employees of the Group who have contributed to the well-being and

prosperity of the Group during the course of their employment. By giving such appropriate employees TdC Shares, these employees will have an opportunity to have a personal equity interest in the Company, and thus will help align the interest of such employees with the interest of the shareholders of the Company.

- 3.2 The objective of the Annual PSP is to, act as an incentive for and to, recognise the contribution of the employees of the Group who are designated as members of the executive committee and this scheme is intended to reward these employees who have contributed towards or help to achieve the exceptional growth of the business of the Group during the tenure of the Annual PSP. The Annual PSP will also give these employees an opportunity to have a personal equity interest in the Company, and thus will help to align the interest of these employees with the interest of the shareholders of the Company.
- 3.3 The Annual PSP may also be extended to Executive Directors on the basis that it is important to recognise the contribution of the Executive Directors.

4 ELIGIBILITY

- 4.1 Group Employees who meet the following criteria shall be eligible for consideration and/or selection as a Participant in the Annual RSP, at the absolute discretion of the Scheme Committee:
- (a) if his employment has been confirmed; and
 - (b) if he is holding such rank/position as may be designated by the Scheme Committee from time to time; and
 - (c) if, in the opinion of the Scheme Committee, his performance has been assessed as having at least achieved a minimum grading in accordance with the performance management system adopted by the relevant Group company; and/or
 - (d) if he meets any other criteria and/or falls within such category as may be determined by the Scheme Committee in its sole discretion from time to time.

For the avoidance of doubt, Executive Directors are not eligible to participate in the Annual RSP.

- 4.2 Group Employees who meet the following criteria shall be eligible for consideration and/or selection as a Participant in the Annual PSP, at the absolute discretion of the Scheme Committee:
- (a) if he is designated by the Group as an employee from the senior management level or is an Executive Director; and/or
 - (b) if he meets any other criteria and/or falls within such category as may be determined by the Scheme Committee in its sole discretion from time to time.
- 4.3 Eligibility for consideration under the Annual RSP or the Annual PSP (as the case may be) does not confer any Group Employee or Executive Director with any rights or entitlement whatsoever under or to participate in the Annual RSP or the Annual PSP (as the case may be) or to the Award or to be awarded any TdC Shares. The Scheme Committee shall take into consideration the objectives of the Annual RSP or the Annual PSP (as the case may be) when determining the criteria for eligibility and notwithstanding the foregoing, the Scheme Committee shall have the right to decide on the Awards at its absolute discretion.
- 4.4 If required by the Listing Requirements, the participation of Directors, the CEO, major shareholders or persons connected to the Directors, CEO or major shareholders of the Group in the Annual RSP or the Annual PSP (as the case may be) shall first be approved by the shareholders in a general meeting in accordance with the Listing Requirements.
- 4.5 The Scheme Committee may in its sole discretion, waive any of the conditions of eligibility set out in By-Laws 4.1 and 4.2.
- 4.6 Non-Executive Directors are not eligible to participate in the Annual RSP and/or Annual PSP.

5 GRANT OF AWARDS

- 5.1 The Scheme Committee may grant Awards to Eligible Persons as the Scheme Committee may select, at any time during the period when the Annual RSP or the Annual PSP (as the case may be) is in force.
- 5.2 The number of TdC Shares which are the subject of each Award shall be determined at the absolute discretion of the Scheme Committee. The Scheme Committee shall take into consideration the objective of the Annual RSP or the Annual PSP (as the case may be) when determining the number of TdC Shares which are the subject of each Award to be granted to a Participant. Subject to any adjustments which may be made under By-Law 9, the aggregate number of TdC Shares that may be allocated to a Participant who, either singly or collectively through Persons Connected with the Participant, holds 20% or more of the issued and paid-up capital (excluding treasury shares) of the Company, shall not exceed 10% of the total number of TdC Shares to be made available under the Annual RSP, Annual PSP or any other share option or share grant schemes implemented or to be implemented by the Company.
- 5.3 The Scheme Committee shall decide in relation to an Award:
- (a) the Participant;
 - (b) the Award Date;
 - (c) the number of TdC Shares which are the subject of the Award;
 - (d) the Vesting Date(s), if any; and
 - (e) any other condition or matter which the Scheme Committee may determine in its sole discretion in relation to that Award.
- 5.4 Upon the determination of the matters set out in By-Law 5.3, the Scheme Committee shall send or cause to be sent to each Eligible Person a letter specifying in relation to the Award, the matters determined by the Scheme Committee in By-Law 5.3.

- 5.5 Participants are not required to pay for TdC Shares made available pursuant to the Annual RSP or Annual PSP (as the case may be) whether such payment is for the application or acceptance or subscription of such TdC Shares but the Participant shall be liable to pay any taxes (including income tax) and expenses arising from TdC Shares being made available, referred to in By-Laws 15 and 16.
- 5.6 An Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer to the Participant of the TdC Shares to which the Award relates, shall not be allotted to or transferred (other than to a Participant's personal representative on the death of the Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Scheme Committee and if a Participant shall do so, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award without the prior approval of the Scheme Committee, that Award shall immediately lapse.
- 5.7 In the event of any error in the Award or an adjustment arising pursuant to By-Law 9.4, the Scheme Committee may issue a supplemental Award stating the correct or adjusted particulars of the Award (as the case may be).

6 EVENTS PRIOR TO THE VESTING DATE

6.1 In the event that:

- (a) an order is made for the winding-up of the Company on the basis, or by reason of, its insolvency; or
- (b) subject to By-Law 6.3(b), the Participant ceases at any time to be a Group Employee for any reasons whatsoever,

an Award, in respect of TdC Shares that have not been Vested, shall immediately lapse without any claim whatsoever against the Company, unless the Scheme Committee determines, in its absolute discretion that the Award shall be preserved, notwithstanding the occurrence of the event in By-Law 6.1(b).

6.2 For the purposes of By-Law 6.1(b):

- (a) a Participant shall be deemed to have ceased to be a Group Employee as of the date the notice of termination of employment is tendered by or is given to him, unless such notice is withdrawn prior to its effective date; and
- (b) a Participant shall be deemed to have ceased to be a Director as of the effective date of retirement, resignation or removal of the Participant from his position as director.

6.3 If any of the following events occur, namely:

- (a) the bankruptcy of a Participant;
- (b) where the Participant ceases to be in the employment of the Group at any time by reasons of:
 - (i) ill health, injury or disability (physical or mental, in each case, evidenced to the satisfaction of the relevant Group company);
 - (ii) redundancy;
 - (iii) retirement at or after legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the relevant Group company;
 - (v) the company by which he is employed ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group;
 - (vi) the Participant being transferred or seconded to an Associate Company or a company which is outside the Group; or
 - (vii) any other event approved by the Scheme Committee.

- (c) in the event of misconduct on the part of a Participant as determined by the relevant Group company in its discretion; or
- (d) the death of a Participant; or
- (e) any other event as may be declared by the Scheme Committee,

then, the Scheme Committee may, in its absolute discretion determine whether an Award then held by such Participant, to the extent that there are TdC Shares that have not been Vested, shall either lapse or be preserved.

6.4 If the Scheme Committee determines under By-Law 6.3 that an Award shall lapse, then such then such TdC Shares that have not been Vested shall lapse without any claim whatsoever against the Company and that the affected Participant shall have no claim, right or cause of action against the Company or the Scheme Committee, whether jointly or severally. If the Scheme Committee determines that all or any part of the unvested TdC Shares shall be preserved, the Scheme Committee shall determine the date by which the unvested TdC Shares shall be credited to the CDS Account of the affected Participant. In exercising its discretion, the Scheme Committee will have regard to all circumstances on a case-by-case basis, including (but not limited) the contribution made by that Participant.

6.5 If before a Vesting Date, any of the following occurs:

- (a) a take-over offer for the TdC Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by shareholders of the Company and/or sanctioned by the court order under the Act; or
- (c) an order being made or a resolution passed for the winding-up of the Company (other than as provided in By-Law 6.1 (a) or for amalgamation or reconstruction);

the Scheme Committee will take into account all relevant circumstances in considering, at its discretion, whether or not to Vest any TdC Shares. Where the Scheme Committee determines that TdC Shares shall be Vested, the Scheme Committee will, as soon as practicable, procure the allotment or transfer to each Participant of the number of TdC Shares so determined in accordance with By-Law 7.

7 VESTING OF AWARDS

7.1 Delivery of TdC Shares

In respect of TdC Shares that are to be Vested, the Scheme Committee shall, not later than eight (8) Market Days after the issuance of the Award Letter (or such period as may be prescribed or allowed by Bursa Securities) procure the following:

- (a) credit the relevant number of TdC Shares into the Participant's CDS Account;
- (b) despatch a notice of allotment or transfer (as the case may be) of such TdC Shares to the Participant; and
- (c) make an application for the listing of and quotation for such relevant number of TdC Shares (where applicable).

7.2 Ranking of TdC Shares

New TdC Shares allotted and issued, and existing TdC Shares procured by the Company, via the Trustee, for transfer, pursuant to any Award shall:

- (a) be subject to all the provisions of the memorandum and articles of association of the Company; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing TdC Shares, the Record Date for which is on or after the Vesting Date, and shall in all other respects rank *pari passu* with other existing TdC Shares then in issue.

7.3 Rights to TdC Share

Notwithstanding any provision in the By-Laws, the Participants shall not be entitled to any rights attached to the TdC Shares prior to the date on which the TdC Shares are credited into the CDS Accounts of the respective Participants.

8 LIMITATION ON SIZE

8.1 During the existence of the Annual RSP and the Annual PSP, the total number of TdC Shares which may be made available pursuant to Awards granted under the Share Grant Plan on any date, when added to, in its entirety, the total number of TdC Shares made available, shall not exceed 10% of the total number of issued and paid-up shares (excluding treasury shares) of the Company at any one time for the duration of the Share Grant Plan ("Maximum Shares").

8.2 In the event that the Company purchases or cancels its own TdC Shares in accordance with the provisions of Section 67A of the Act or otherwise howsoever or undertakes any other corporate proposal resulting in the reduction of its issued and paid-up share capital, the following provisions shall apply in respect of future Awards but all the TdC Shares granted pursuant to the Annual RSP or Annual PSP (as the case may be) prior to such purchases and/or the reduction/adjustment of the issued and paid-up share capital of the Company shall remain valid in accordance with the provisions of the Annual RSP or Annual PSP (as the case may be) as if that reduction/adjustment had not occurred:

- (a) if, after such purchase, cancellation or reduction, the aggregate number of TdC Shares in respect of Awards granted by the Company pursuant to the Annual RSP and Annual PSP (and/or pursuant to any other similar schemes to be implemented from time to time by the Company) as at the date of purchase, cancellation or reduction of TdC Shares is greater than the Maximum Shares, no further Awards shall be made by the Scheme Committee until such aggregate number of TdC Shares in respect of the Awards granted falls below the Maximum Shares; and

(b) if, after such purchase, cancellation or reduction, the aggregate number of TdC Shares in respect of Awards granted by the Company pursuant to the Annual RSP and Annual PSP (and/or pursuant to any other similar schemes to be implemented from time to time by the Company) as at the date of purchase, cancellation or reduction of TdC Shares is less than the Maximum Shares, the Scheme Committee may make further Awards but only until such aggregate number of TdC Shares in respect of the Awards granted pursuant to the Annual RSP and Annual PSP (and/or pursuant to any other similar schemes to be implemented from time to time by the Company) is equivalent to the Maximum Shares after such purchase, cancellation or reduction.

8.3 TdC Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Scheme Committee under the Annual RSP or the Annual PSP (as the case may be).

9 ADJUSTMENT EVENTS

9.1 If a variation in the ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place or if the Company shall make a capital distribution or a declaration of a special dividend (whether in cash or in specie), then the Scheme Committee may, in its sole discretion, determine whether:

- (a) the class and/or number of TdC Shares which are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of TdC Shares in respect of which future Awards may be granted under the Annual RSP; and/or
- (c) the class and/or number of TdC Shares in respect of which future Awards may be granted under the Annual PSP,

shall be adjusted and if so, the manner in which such adjustments should be made.

- 9.2 Unless the Scheme Committee considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or upon the exercise of any options or conversion of any loan stock or any other securities convertible into TdC Shares or subscription rights of any warrants, or the cancellation of issued TdC Shares purchased or acquired by the Company by way of a market purchase of such TdC Shares undertaken by the Company on Bursa Securities during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.
- 9.3 Notwithstanding the provisions of By-Law 9.1, any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by either the Scheme Auditors or the Advisers (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
- 9.4 Upon any adjustment required to be made pursuant to this By-Law 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of TdC Shares which are the subject of the adjusted Award. Any adjustment shall take effect upon such written notification being given or on such date as may be specified in such written notification.
- 9.5 In the event that a fraction of a TdC Share arises from the adjustments pursuant to this By-Law 9, the number of TdC Shares comprised in an Award shall automatically be rounded down to the nearest whole number.

10 SCHEME COMMITTEE

- 10.1 The Annual RSP and Annual PSP shall be administered by the Scheme Committee in its absolute discretion with such powers and duties as are conferred on it by the Board from time to time.
- 10.2 No member of the Scheme Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to himself.

- 10.3 The Board shall have power at any time and from time to time to:
- (a) approve, rescind and/or revoke the appointment of any member of the Scheme Committee and appoint replacement members to the Scheme Committee; and
 - (b) assume and/or exercise or execute any of the powers and authorities conferred upon the Scheme Committee pursuant to these By-Laws.
- 10.4 For the purposes of administering the respective share plans, the Scheme Committee may do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements, and make rules, regulations or impose terms and conditions (not being inconsistent with the objectives of the Annual RSP or the Annual PSP, as the case may be) or delegate part of its power relating to the administration of the respective share plans or appoint any person(s) to assist with the administration of the respective share plans, as the Scheme Committee may in its discretion deem fit, necessary and/or expedient for the implementation and administration of, and to give full effect to the respective share plans.
- 10.5 The Scheme Committee shall maintain all records relating to the implementation and administration of the respective share plans, including without limitation, minutes of meetings, resolutions, data relating to the granting of Awards and all correspondence in respect of the same.
- 10.6 Any matter pertaining or pursuant to the respective share plans and any dispute and uncertainty as to the interpretation of the respective share plans or any rule, regulation or procedure thereunder or any rights under the respective share plans shall be determined by the Scheme Committee.
- 10.7 Neither the respective share plans nor Awards granted under the respective share plans shall impose on the Company or the Scheme Committee or any of its members any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of these By-Laws;

- (b) the failure of refusal by the Scheme Committee to exercise, or the exercise by the Scheme Committee of, any discretion under the these By-Laws; and/or
 - (c) any decision or determination of the Committee made pursuant to any provision of these By-Laws.
- 10.8 Any decision, declaration or determination of the Scheme Committee (including the exercise of its discretion) made pursuant to any provision of these By-Laws (other than a matter to be certified by the Scheme Auditors) must be arrived at by way of a simple majority of the members of the Scheme Committee and shall in the absence of manifest error, be final, binding and conclusive (including for the avoidance of doubt, any decisions pertaining to dispute as to the interpretation of any rule, regulation or procedure hereunder or as to any rights under the respective share plans). The Scheme Committee shall not be required to furnish any reasons for the exercise of its discretion or for any decision or determination made by it.
- 10.9 The performance of any obligations provided herein may be delayed, prohibited, or become impossible by reason of events beyond the reasonable control of the Company or the Scheme Committee.

11 NOTICES AND COMMUNICATIONS

- 11.1 Any notice required to be given by the Participant to the Company shall be sent or made to the registered office of the Company or such other address (including an electronic mail address) or facsimile number, and marked for the attention of the Scheme Committee, as may be notified by the Company to the Participant in writing.
- 11.2 Any notice or documents required to be given to a Participant or any correspondence to be made between the Company and a Participant shall be given or made by the Scheme Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to a Participant by hand or sent to a Participant at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number provided by the Participant to the Company.

- 11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice of communication from the Company to a Participant shall be deemed to be received by the Participant, when left at the address specified in By-Law 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail on the date and time at which the electronic mail was sent, without any express return message or notice from the applicable host or service provider that the electronic mail has failed to be delivered to the recipient or, if sent by facsimile transmission, on the day of despatch, with the receipt of a transmission confirmation slip indicating that the notice has been transmitted in its entirety to the receiver's facsimile number.
- 11.4 It shall be the Participant's sole responsibility to ensure that all information contained in a Communication is complete, accurate, current, true and correct. The Company shall be under no obligation to investigate the authenticity or authority of persons effecting the Communication or to verify the accuracy and completeness of the Communication and the Company may treat the Communication as valid and binding on the Participant, notwithstanding any error, fraud, forgery, lack of clarity or misunderstanding in the terms of such Communication.
- 11.5 The Company's records of the Communications, and its record of any transactions maintained by any relevant person authorized by the Company relating to or connected with the Annual RSP or Annual PSP (as the case may be), whether stored in electronic or printed form, shall be binding and conclusive on a Participant and shall be conclusive evidence of such Communications and/or transactions. All such records shall be admissible in evidence and the Participant shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were incorporated and/or set out in electronic form or were produced by or are the output of a computer system, and the Participant waives any of his rights (if any) to so object.

12 MODIFICATION TO THE BY-LAWS

- 12.1 Any or all of the provisions of these By-Laws, may be modified and/or altered at any time and from time to time by a resolution of the Scheme Committee, except that:

- (a) no modification or alteration shall adversely affect the rights of a Participant in connection with an Award except with the consent in writing of such number of Participants who, if TdC Shares pursuant to their Award were Vested on the applicable Vesting Dates relating to their Awards, would become entitled to not less than three-quarters in number of all the TdC Shares which are to be Vested the relevant Vesting Date applicable to all such outstanding Awards;
- (b) any modification or alteration which would increase the number of TdC Shares beyond the size of the Annual RSP and Annual PSP in By-Law 8 or provide an advantage to any or all Participants must be approved beforehand by the Company's shareholders in general meeting; and
- (c) all modifications or alterations shall be in compliance with the relevant rules and regulations in force at the relevant time and shall be subject to the approvals of any authorities (if required).

For the purposes of By-Law 12.1(a), the opinion of the Scheme Committee as to whether any modification or alteration would adversely alter the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this By-Law 12.1 shall affect the right of the Scheme Committee under any other provision of the Annual RSP and the Annual PSP to amend or adjust any Award.

- 12.2 Notwithstanding anything to the contrary contained in By-Law 12.1, the Scheme Committee may at any time by a resolution (and without other formality, save for the prior approval of any relevant authorities) amend or alter these By-Laws in any way to the extent necessary or desirable, in the opinion of the Scheme Committee, to cause the respective share plans to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including Bursa Securities).
- 12.3 Written notice of any modification or alteration made in accordance with this By-Law 12 shall be given to all Participants.

13 TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant (being a Group Employee or an Executive Director, as the case may be) shall not be affected by his participation in the Annual RSP or Annual PSP (as the case may be), which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

14 DURATION OF THE ANNUAL RSP AND ANNUAL PSP

14.1 The respective share plans shall take effect on the date on which the last of the following approvals and/or conditions shall have been obtained and/or complied with ("Adoption Date"):

- (a) approval of the shareholders of the Company;
- (b) approval of Bursa Securities for the listing of and quotation for any new TdC Shares to be issued pursuant to the respective share plans at any point in time during the existence of the respective share plans;
- (c) approval of Bursa Depository for the transfer of TdC Shares from the Trustee to the Participants pursuant to the Vesting of TdC Shares under the respective share plans at any point in time during the existence of the respective share plans;
- (d) the submission to Bursa Securities of the final copy of the By-Laws;
- (e) any other relevant regulatory authorities' approval, where applicable; and
- (f) fulfilment of all conditions attached to the above approvals (if any).

14.2 Thereafter, within five (5) Market Days from the Adoption Date, the Company shall through the Adviser, submit a confirmation to Bursa Securities of full compliance with the approvals and/or conditions abovementioned stating the Adoption Date, together with a certified true copy of the relevant resolution passed by the shareholders of the Company in the general meeting approving the respective share plans.

- 14.3 Subject to By-Laws 14.1 above, the respective share plans shall commence on the Adoption Date and continue to be in force for eight (8) years or such longer period as may be extended by the Scheme Committee or as may be allowed by the relevant authorities ("Plan Period") provided always that the maximum duration of the respective share plans shall not be more than ten (10) years from the Adoption Date. On expiry of the Plan Period, any TdC Shares granted pursuant to any Awards which have yet to be Vested (whether fully or partially) shall be deemed cancelled and be null and void and the Company shall not be under any obligation to take any action in respect of TdC Shares that have not been Vested.
- 14.4 Notwithstanding anything set out in these By-Laws and subject always to compliance with the Listing Requirements and any other relevant rules or requirements, the respective share plans may be terminated at any time by the Scheme Committee before the expiry of the Plan Period whereupon any TdC Shares which are not due to be Vested shall be deemed cancelled, null and void on the date specified in the notice issued to Participants. In such circumstance, the Company shall not be under any obligation to take any action in respect of TdC Shares that are not due to be Vested, prior to the termination of the relevant share plan.

15 TAXES

All taxes (including income tax) arising from the grant of an Award to a Participant under the Annual RSP or Annual PSP (or arising from the issuance of TdC Shares other than the expense expressly provided herein or otherwise howsoever) shall be borne by the Participant.

16 COSTS AND EXPENSES

- 16.1 Each Participant shall bear all expenses relating to or in connection with the opening and maintenance of the CDS Account, brokerage charges, fees, stamp duties on any subsequent transactions undertaken by the Participant after TdC Shares have been credited to the CDS Account of the Participant.

- 16.2 The Company shall bear all fees, costs and expenses in relation to the Annual RSP or the Annual PSP as the case may be, which are expressly provided for in these By-Laws.

17 DISCLAIMER OF LIABILITY

The Company, the Board (including directors who have resigned but were directors of the Company during the term of the Annual RSP or the Annual PSP, as the case may be), the Scheme Committee (including any person administering the respective share plans under the instructions of the Scheme Committee pursuant to By-Law 10) and the Trustee shall not under any circumstances be held liable to a Group Employee, an Executive Director, a Participant or any other person for any costs, losses, taxes, expenses, damages, or liabilities, gains or profits foregone howsoever arising or in the event of any delay on the part of the Company in allotting and issuing the TdC Shares or in procuring the Bursa Securities to list the new TdC Shares made available to a Participant or for any delay in crediting the TdC Shares into the CDS Account of a Participant or delivering the TdC Shares or the continued listing of the TdC Shares on Bursa Securities or any other matter or dealing which is outside the control of the Company, in accordance with the Annual RSP or Annual PSP (as the case may be).

18 DISCLOSURE IN ANNUAL REPORT

The Company will make such disclosures in its annual report for as long as the respective share plans continue in operation as may be required by the Listing Requirements including (where applicable) a statement by the audit committee verifying that the allocation of TdC Shares pursuant to the Annual RSP and the Annual PSP is in compliance with the criteria for allocation by the Company to the Participant.

19 DISPUTES

Any disputes or differences arising hereunder shall be referred to the Scheme Committee whose decision shall be final and binding in all respects.

20 GOVERNING LAW

The respective share plans shall be governed by, and construed in accordance with, the laws of Malaysia.

21 IMPLEMENTATION OF THE ANNUAL RSP, ANNUAL PSP AND TRUST

21.1 In implementing the Annual RSP and Annual PSP, the Awards may be satisfied by way of:

- (a) issuance of new TdC Shares as fully paid-up;
- (b) acquisition of existing TdC Shares from the market; or
- (c) any combination of the above.

21.2 The Board and/or the Scheme Committee may establish a Trust to be administrated by the Trustee in respect of any action required to be taken to facilitate the implementation of the Annual RSP and the Annual PSP which the Company is unable to perform, consisting of such trustee appointed by the Company from time to time for purposes of subscribing for new TdC Shares or purchasing existing TdC Shares from the market and transferring them to the Participants at such time as the Scheme Committee may direct. To enable the Trustee to subscribe for new TdC Shares and/or purchase existing TdC Shares from the market for purposes of implementing the Annual RSP and the Annual PSP and to pay expenses in relation to the administration of the Trust, the Trustee will, to the extent permitted by law, be entitled from time to time to accept funding and/or assistance, financial or otherwise, from the Company, its subsidiaries and/or third parties.

21.3 The Trustee shall exercise the voting rights attached to such TdC Shares in such manner and extent as may be directed by the Scheme Committee in writing.

21.4 The Trustee shall administer the Trust in accordance with the Trust Deed. For purposes of administering the Trust, the Trustee shall do all such acts and things and enter into any transactions, agreements, deeds, documents or arrangements and make rules, regulations or impose terms and conditions or delegate part of its power

relating to the administration of the Trust as the Scheme Committee may in its discretion direct for the implementation and administration of the Trust.

21.5 The Company shall have power from time to time to appoint or rescind the appointment of any Trustee as it deems fit in accordance with the provisions of the Trust Deed.

21.6 The Company will use all reasonable efforts to make available/ensure that the Trustee has available sufficient TdC Shares for vesting in the Participants on the Vesting Dates when the respective share plans are in force.

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APPENDIX II

**SALIENT TERMS OF THE DRAFT TRUST DEEDS IN RELATION TO THE PROPOSED SHARE
GRANT PLAN**

SALIENT TERMS OF THE DRAFT TRUST DEEDS IN RELATION TO THE PROPOSED SHARE GRANT PLAN

Salient Terms of Trust Deed
TdC - Special RSP

SALIENT TERMS OF THE DRAFT TRUST DEED PROPOSED TO BE ENTERED INTO BETWEEN THE COMPANY AND THE TRUSTEE IN RELATION TO THE SPECIAL RSP

The following words and expressions shall have the following meaning:

By-Laws	:	The by-laws of the Special RSP.
Terms of Issue	:	In respect of a Trust Share, the terms of issue of the Trust Shares as determined by the Scheme Committee in accordance with the By-Laws.
Trust	:	The trust for the Special RSP established under the Trust Deed.
Trust Asset	:	The property, rights and income of the Trust including the Trust Shares and any moneys and property received by the Trustee for purposes of the Special RSP, and all income, additions or accretions from such moneys and property.
Trust Shares	:	All TdC Shares issued pursuant to the Special RSP, from time to time held or to be held by the Trustee on trust pursuant to the Trust Deed.

Unless the context of the Trust Deed otherwise provides, all definitions herein shall have the same meanings as provided for in the By-Laws.

1. Purpose of the Trust

- 1.1 The purpose of the Trust is to facilitate the implementation of the Special RSP.
- 1.2 The Company shall, in accordance with the terms of the By-Laws, issue specific instructions to the Trustee relating to the implementation of the Special RSP.

- 1.3 The Trustee shall:
- (a) hold the Trust Assets for the purposes of the Special RSP, to be dealt with in accordance with the terms of the Trust Deed and the By-Laws; and
 - (b) at the direction of the Company, from time to time and in accordance with the Trust Deed:
 - (i) subscribe for new TdC Shares;
 - (ii) hold the TdC Shares subscribed for and transfer such number of TdC Shares to the Participants; and
 - (iii) fulfil and carry out any other duty or function required of a trustee as may be required to give effect to the Special RSP.

2. Specific Powers

The Trustee shall at all times, carry out specific tasks in accordance with instructions received from the Company from time to time, in respect of the Trust. These specific tasks include but is not limited to the following:

- (a) to enter into and execute all contracts, deed and documents and do all acts, matters or things which are necessary for the purposes of giving effect to and carrying out the matters set out in the Trust Deed, in accordance with the instructions of the Company;
- (b) to subscribe for and hold the Trust Shares and transfer them to persons identified by the Company;
- (c) to receive dividends and distributions paid on the Trust Shares and to apply those amounts in the manner instructed by the Company;
- (d) to sign, draw, endorse or otherwise execute, as the case may be, all or any:
 - (i) cheques, drafts and other negotiable or transferable instruments;
 - (ii) receipts for money paid to the Trustee; and
 - (iii) other documents connected with the due administration of the Special RSP or with the Trust Deed;

- (e) to open and operate any bank or other accounts for the Trust; and
- (f) to institute, conduct, defend, compound, settle or abandon any legal proceedings concerning the affairs of the Trust in accordance with the instructions of the Company.

3. Timing for Subscription of TdC Shares

Subject to the Trustee receiving sufficient payment or having sufficient capital in respect of which the Trustee has received a notice, by not later than such period as may be specified by the Company in writing after the receipt of that notice, the Trustee must subscribe for the requisite number of TdC Shares.

4. Transfer of Trust Shares

The subscription price for each of the TdC Shares referred to in Clause 3 will be as determined by the Company on the date on which the TdC Shares are issued to the Trustee and the TdC Shares subscribed shall be registered in the name of authorized nominee (for the Trustee) on subscription and held on trust by the Trustee for purposes of the Special RSP until such time as the Company may direct in writing to transfer such number of Trust Shares to such Participants at such time as shall be specified in the written instructions of the Company.

5. Funds

- (a) The Company must provide the Trustee or cause the provision to the Trustee of any funds required by the Trustee in order to comply with its obligations under Clause 3. The Trustee must apply the funds received in performing its obligation under Clause 3.
- (b) To enable the Trustee to perform its obligations pursuant to the Trust, the Trustee shall, to the extent permitted by law, be entitled from time to time to accept funding and/or assistance, financial or otherwise from the Company, its subsidiaries and/or third parties, upon such terms and conditions as the Company and the Trustee may agree.

6. Reimbursement of Expenses

- (a) The Trustee shall be reimbursed for reasonable expenses, costs and charges incurred by the Trustee in the establishment or execution of the Trust or carrying out the instructions of the Company.
- (b) Any appointment of advisers and/or legal practitioners by the Trustee for the purposes of carrying out the instructions of the Company and their costs, fees and expenses shall be borne by the Company. The Company shall have the right to recommend and appoint advisers and/or legal practitioners to act for the Trustee for such purposes.

7. Trust Shares

- (a) All dividends and distributions paid by the Company on the Trust Shares before they are transferred to the CDS Account of the Participant shall form part of the Trust Assets and shall be dealt with by the Trustee in accordance with written instructions of the Company.
- (b) Notwithstanding that the Trustee is the legal and registered holder of the TdC Shares held pursuant to the Trust, the Trustee shall only exercise the voting and/or other rights attached to the TdC Shares, in such manner and extent as may be instructed by the Company.

8. Termination of Trust

The Trust will terminate and be wound-up as provided by law or upon any of the following events occurring:

- (a) an order being made or an effective resolution being passed for the winding-up of the Company (other than for the purpose of amalgamation or reconstruction);
- (b) the termination or expiry of the Special RSP;
- (c) the Company determining that the Trust is to be wound up;
- (d) automatic termination of the Special RSP after transfer of all TdC Shares to Participants; or

- (e) the 8th anniversary of the date of the Trust Deed or such later date as may be determined by the Company or as may be allowed by the relevant authorities.

9. Persons authorised to liaise with Trustee

- (a) The Company shall designate specific representatives of the Company to give instructions to the Trustee on behalf of the Company on matters relating to the Trust Deed. These representatives shall be nominated by the Scheme Committee and notified to the Trustee accordingly.
- (b) The Trustee shall not be required to initiate any communication or correspondence with Participants.

**SALIENT TERMS OF THE DRAFT TRUST DEED PROPOSED TO BE ENTERED INTO
BETWEEN THE COMPANY AND THE TRUSTEE IN RELATION TO THE ANNUAL
RSP & ANNUAL PSP**

The following words and expressions shall have the following meaning:

By-Laws	:	The by-laws of the Annual RSP and the Annual PSP.
Terms of Issue	:	In respect of a Trust Share, the terms of issue of the Trust Shares as determined by the Scheme Committee in accordance with the By-Laws.
Trust	:	The trust for the Annual RSP and Annual PSP established under the Trust Deed.
Trust Asset	:	The property, rights and income of the Trust including the Trust Shares and any moneys and property received by the Trustee for purposes of the Annual RSP and Annual PSP, and all income, additions or accretions from such moneys and property.
Trust Shares	:	All TdC Shares subscribed and/or acquired pursuant to the Annual RSP and Annual PSP, from time to time held or to be held by the Trustee on trust pursuant to the Trust Deed.

Unless the context of the Trust Deed otherwise provides, all definitions herein shall have the same meanings as provided for in the By-Laws.

1. **Purpose of the Trust**

- 1.1 The purpose of the Trust is to facilitate the implementation of the Annual RSP and the Annual PSP.
- 1.2 The Company shall, in accordance with the terms of the By-Laws, issue specific instructions to the Trustee relating to the implementation of the Annual RSP and the Annual PSP.

1.3 The Trustee shall:

- (a) hold the Trust Assets for the purposes of the Annual RSP and Annual PSP, to be dealt with in accordance with the terms of the Trust Deed and the By-Laws; and
- (b) at the direction of the Company, from time to time and in accordance with the Trust Deed:
 - (i) subscribe for new TdC Shares and/or acquire the TdC Shares on the open market of Bursa Securities;
 - (ii) hold the TdC Shares subscribed for and/or acquired and transfer such number of TdC Shares to the Participants; and
 - (iii) fulfil and carry out any other duty or function required of a trustee as may be required to give effect to the Annual RSP and Annual PSP.

2. Specific Powers

The Trustee shall at all times, carry out specific tasks in accordance with the instructions received from the Company from time to time, in respect of the Trust. These specific tasks include but is not limited to the following:

- (a) to enter into and execute all contracts, deed and documents and do all acts, matters or things which are necessary for the purposes of giving effect to and carrying out the matters set out in the Trust Deed, in accordance with the instructions of the Company;
- (b) to subscribe for, purchase or otherwise acquire and hold the Trust Shares and transfer them to persons identified by the Company;
- (c) to receive dividends and distributions paid on the Trust Shares and to apply those amounts in the manner instructed by the Company;
- (d) to sell the Trust Shares and apply the proceeds of sale in accordance with the instructions of the Company;
- (e) to sell or take up rights and apply the proceeds of sale or resulting TdC Shares or other securities in accordance with the instructions of the Company;

- (f) to sign, draw, endorse or otherwise execute, as the case may be, all or any:
 - (i) cheques, drafts and other negotiable or transferable instruments;
 - (ii) receipts for money paid to the Trustee; and
 - (iii) other documents connected with the due administration of the Annual RSP and Annual PSP or with the Trust Deed;
- (g) to open and operate any bank or other accounts for the Trust; and
- (h) to institute, conduct, defend, compound, settle or abandon any legal proceedings concerning the affairs of the Trust in accordance with the instructions of the Company.

3. Timing for Subscription and/or Transfer of TdC Shares

Subject to the Trustee receiving sufficient payment or having sufficient capital in respect of which the Trustee has received a notice, by not later than such period as may be specified by the Company in writing after the receipt of that notice, the Trustee must:

- (a) purchase the requisite number of TdC Shares from the open market of Bursa Securities;
- (b) if the Company agrees to issue TdC Shares, subscribe for the requisite number of TdC Shares; or
- (c) effect a combination of the acts in paragraphs (a) and (b) as may be instructed by the Scheme Committee.

4. Transfer of Trust Shares

The subscription price for each of the TdC Shares referred to in Clause 3(b) and 3(c) will be as determined by the Scheme Committee on the date on which the TdC Shares are issued to the Trustee and the TdC Shares subscribed shall be registered in the name of authorized nominee (for the Trustee) on subscription and held on trust by the Trustee for purposes of the Annual RSP and Annual PSP until such time as the Scheme Committee may direct in writing to transfer such number of Trust Shares to such Participants at such time as shall be specified in the written instructions of the Scheme Committee.

5. Funds

- (a) The Company must provide the Trustee or cause the provision to the Trustee of any funds required by the Trustee in order to comply with its obligations under Clause 3. The Trustee must apply the funds received in performing its obligation under Clause 3.
- (b) To enable the Trustee to perform its obligations pursuant to the Trust, the Trustee shall, to the extent permitted by law, be entitled from time to time to accept funding and/or assistance, financial or otherwise from the Company, its subsidiaries and/or third parties, upon such terms and conditions as the Company and the Trustee may agree.

6. Reimbursement of Expenses

- (a) The Trustee shall be reimbursed for reasonable expenses, costs and charges incurred by the Trustee in the establishment or execution of the Trust or carrying out the instructions of the Company.
- (b) Any appointment of advisers and/or legal practitioners by the Trustee for the purposes of carrying out the instructions of the Company, their costs, fees and expenses shall be borne by the Company. The Company shall have the right to recommend and appoint advisers and/or legal practitioners to act for the Trustee for such purposes.

7. Trust Shares

- (a) All dividends and distributions paid by the Company on the Trust Shares before they are transferred to the CDS Account of the Participant shall form part of the Trust Assets and shall be dealt with by the Trustee in accordance with written instructions of the Company.
- (b) Notwithstanding that the Trustee is the legal and registered holder of the TdC Shares held pursuant to the Trust, the Trustee shall only exercise the voting and/or other rights attached to the TdC Shares, in such manner and extent as may be instructed by the Company.

8. Termination of Trust

The Trust will terminate and be wound-up as provided by law or upon any of the following events occurring:

- (a) an order being made or an effective resolution being passed for the winding-up of the Company (other than for the purpose of amalgamation or reconstruction);
- (b) the termination or expiry of the Annual RSP and Annual PSP;
- (c) Company determining that the Trust is to be wound up; or
- (d) the 8th anniversary of the date of the Trust Deed or such later date as may be determined by the Company or as may be allowed by the relevant authorities.

9. Persons authorised to liaise with Trustee

- (a) The Company shall designate specific representatives of the Company to give instructions to the Trustee on behalf of the Company on matters relating to the Trust Deed. These representatives shall be nominated by the Scheme Committee and notified to the Trustee accordingly.
- (b) The Trustee shall not be required to initiate any communication or correspondence with Participants.

APPENDIX III
ADDITIONAL INFORMATION

ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board who, collectively and individually, accept full responsibility for the accuracy of the information given 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 information herein misleading.

2. WRITTEN CONSENT AND CONFLICT OF INTEREST

CIMB's role in the Proposed Mandate is limited to the preparation of Part A of this Circular on behalf of our Company. CIMB was not involved in the formulation of nor did CIMB advise our Group on the terms of the Proposed Mandate.

CIMB is our Adviser in relation to Malaysian regulatory requirements for the Proposed Share Grant Plan and Proposed Amendment, which is in Part B of the Circular.

CIMB has given and has not subsequently withdrawn its written consent to include its name and all references thereto in this Circular in the form and context in which they appear.

Save as disclosed below, CIMB is not aware of any possible conflict of interest which exists or is likely to exist in its capacity as the preparer for Part A of this Circular and the Adviser in relation to Malaysian regulatory requirements for the Proposed Share Grant Plan and Proposed Amendment.

CIMB, its related and associated companies ("**CIMB Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction service businesses. The CIMB Group has engaged and may in future, engage in transactions with and perform services for our Company and/or its subsidiaries, in addition to the roles involved in the Proposals. In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with any member of our Company and/or its subsidiaries, hold long or short positions, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities of TdC and/or its subsidiaries. This is a result of the businesses of CIMB Group generally acting independently of each other, and accordingly there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interests of our Company.

CIMB Group has, in the ordinary course of their banking business, granted credit facilities to our Group.

CIMB is of the view that the aforementioned extension of credit facilities do not result in conflict of interest situations as the total credit facilities are not material when compared to the audited total assets of the CIMB Group as at 31 December 2011.

Furthermore, the extension of credit facilities arose in the ordinary course of business of the CIMB Group in view of the CIMB Group's extensive participation in the ASEAN banking industry.

3. MATERIAL CONTRACTS

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

- (i) a conditional sale and purchase agreement dated 6 December 2010 between TdC and PKV (supplemented by a letter of agreement executed by TdC and PKV on 15 March 2011) for the proposed acquisition by TdC of the entire equity interest in GTC for a purchase consideration of RM102,000,000, to be fully settled via the issuance of 28,732,394 new shares in TdC;
- (ii) a conditional sale and purchase agreement dated 6 December 2010 between TdC and shareholders of GTL (supplemented by a letter of agreement executed by TdC and shareholders of GTL on 15 March 2011) for the proposed acquisition by TdC of the entire equity interest in GTL for a purchase consideration of RM101,000,000, to be fully settled via the issuance of 17,070,421 new shares in TdC and a cash payment of RM40,400,000;
- (iii) a conditional sale and purchase agreement dated 6 December 2010 between TdC and GTI (supplemented by a letter of agreement executed by TdC and GTI on 15 March 2011) for the proposed acquisition by TdC of the entire equity interest in Global Transit Singapore Pte Ltd and Global Transit (Hong Kong) Limited for a cash consideration of RM1.00 each; and
- (iv) a conditional sale and purchase agreement dated 6 December 2010 between TdC and Megawisra (supplemented by a letter of agreement executed by TdC and Megawisra on 15 March 2011) for the proposed acquisition by TdC of the entire equity interest in TAAG, AIMS Data Centre 2 and AIMS Cyberjaya for a total purchase consideration of RM119,000,000 to be fully settled via the issuance of 20,112,676 new shares in TdC and a cash payment of RM47,600,000.

The acquisitions referred to in (i) to (iv) above have been completed on 17 May 2012.

4. MATERIAL LITIGATION

As at the LPD, our Company and its subsidiaries have not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on our financial position or business and our Board is not aware of any proceedings pending or threatened or any facts likely to give rise to any proceedings which may materially and adversely affect our financial position or business.

5. MATERIAL COMMITMENTS

As at the LPD, save as disclosed below, our Board is not aware of any material commitments incurred or known to be incurred by our Group which may, upon becoming enforceable, have a material impact on our Group's profits or NA:

	<u>RM 000</u>
Authorised property, plant and equipment expenditure not provided for in the financial statements	
Contracted	105,659
Not contracted	<u>24,608</u>
Total commitments	<u>130,267</u>

6. CONTINGENT LIABILITIES

As at the LPD, our Board is not aware of any contingent liabilities incurred or known to be incurred by our Group which may, upon becoming enforceable, have a material impact on our Group's profits or NA.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection by our shareholders during normal business hours at our registered office at Level 4, No. 14, Jalan Majistret U1/26, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, from Mondays to Fridays (except public holidays) from the date of this Circular up to the date of the EGM:

- (i) the memorandum and articles of association of our Company;
- (ii) the audited consolidated accounts of our Company for the past two (2) financial years ended 31 December 2010 and 31 December 2011 and the unaudited consolidated quarterly results of our Company for the period ended 31 March 2012;
- (iii) the letter of consent from CIMB referred to in Section 2 of this Appendix III;
- (iv) the material contracts referred to in Section 3 of this Appendix III;
- (v) the draft By-Laws of the Proposed Share Grant Plan; and
- (vi) the draft Trust Deeds in relation to the Proposed Share Grant Plan.

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TIME[™]

TIME dotCom Berhad

(413292-P)

(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of TIME dotCom Berhad ("**TdC**" or "**Company**") will be held at Saujana Ballroom, Ground Floor, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 28 June 2012 at 11.00 a.m. or immediately following the conclusion or adjournment (as the case may be) of the 15th Annual General Meeting of TdC, which will be held at the same venue and on the same day at 10.00 a.m. or any adjournment thereof, whichever is later for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

ORDINARY RESOLUTION 1

PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES ("PROPOSED MANDATE")

"**THAT** approval be and is hereby given pursuant to Paragraph 10.09(2) of the Listing Requirements of Bursa Malaysia Securities Berhad for the Company and its subsidiaries ("**TdC Group**") to enter into the recurrent transactions of a revenue or trading nature, all as set out in Section 2.3 of Part A of the Circular to Shareholders dated 6 June 2012 with the related parties mentioned therein which are necessary for the TdC Group's day-to-day operations, provided that:

- (i) the transactions are in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- (ii) disclosure of the aggregate value of the transactions conducted during a financial year will be disclosed in the annual report for the said financial year,

AND THAT the authority conferred by the new mandate shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the EGM at which the Proposed Mandate is approved, at which time they will lapse, unless by a resolution passed at the next AGM the mandates are renewed;
- (ii) the expiration of the period within which the next AGM of the Company after the forthcoming EGM is required to be held pursuant to Section 143(1) of the Companies Act 1965 ("**Act**") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier;

AND THAT the directors of the Company be and is hereby authorised to complete and do all such acts and things as they may consider expedient or necessary in the best interest of the Company (including executing all such documents as may be required) to give effect to the Proposed Mandate."

ORDINARY RESOLUTION 2

PROPOSED ESTABLISHMENT OF A SHARE GRANT PLAN OF UP TO TEN PERCENT (10%) OF THE ISSUED AND PAID-UP SHARE CAPITAL OF TdC (EXCLUDING TREASURY SHARES) ("PROPOSED SHARE GRANT PLAN")

"**THAT**, subject to the passing of the Special Resolution, approvals and consents of the relevant regulatory authorities and/or third parties being obtained (where required) and to the extent permitted by law and the memorandum and articles of association of the Company, approval be and is given to the Company to:

- (i) establish and administer a share grant plan in accordance with the rules, terms and conditions of the Proposed Share Grant Plan ("**By-Laws**"), a draft of which is set out in Appendix I of the Circular to Shareholders dated 6 June 2012;
- (ii) appoint trustee(s) to facilitate the implementation of the Proposed Share Grant Plan ("**Trustee**") and authorise the Trustee to, amongst others, subscribe for and/or purchase ordinary shares in TdC ("**TdC Shares**") for the purpose of the Proposed Share Grant Plan;
- (iii) provide money or other assistance (financial or otherwise) and/or authorise and/or procure any one or more of the subsidiaries of the Company, to provide money or other assistance (financial or otherwise) from time to time if required to enable the Trustee to subscribe for and/or purchase TdC Shares;
- (iv) issue and allot to the eligible employees of the Company and its subsidiaries (except dormant subsidiaries) and executive directors of the Company or the Trustee new ordinary shares of RM0.50 each in TdC ("**TdC Shares**") pursuant to the Proposed Share Grant Plan from time to time for the duration of the Proposed Share Grant Plan as may be required for the purpose of the Proposed Share Grant Plan, provided always that the total number of TdC Shares which may be made available under the Proposed Share Grant Plan shall not at any point in time in aggregate exceed ten percent (10%) of the issued and paid-up share capital of the Company (excluding treasury shares);
- (v) modify and/or amend the Proposed Share Grant Plan and/or the By-Laws from time to time as may be required or permitted or deemed necessary by the authorities or the board of directors of TdC or any committee established or appointed by it, provided that such modifications and/or amendments are permitted and effected in accordance with the provisions of the By-Laws relating to modifications and/or amendments; and
- (vi) do all things, and execute and deliver all such documents and instruments, and enter into all such transactions, arrangements and agreements, deeds or undertakings and make such rules or regulations, or impose such terms and conditions or delegate its power as may be necessary or expedient in order to give full effect to the Proposed Share Grant Plan and the terms of the By-Laws.

THAT the By-Laws as set out in Appendix I of the Circular to Shareholders dated 6 June 2012, be and is hereby approved.

AND THAT the directors of the Company be and are authorised to give effect to the Proposed Share Grant Plan, with full power to assent to and/or adopt any condition, modification, variation and/or amendment (including assent to and/or adopt any condition, modification, variation and/or amendment to the By-Laws as set out in Appendix I of the Circular to Shareholders dated 6 June 2012) recommended by the committee established to implement and administer the Proposed Share Grant Plan in accordance with the By-Laws or deemed by the directors of the Company to be necessary, fit or expedient and in the best interest of the Company (as the case may be), or as may be required by any relevant regulatory authority or by the Court."

SPECIAL RESOLUTION

PROPOSED AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY ("PROPOSED AMENDMENT")

"**THAT**, approval be and is given to the Company to amend the memorandum of association of the Company by substituting the existing Clause 3.33 with the following new Clause 3.33:

"3.33 To grant pensions, allowances, gratuities, bonuses and to allot and issue and/or transfer shares or securities to any past or serving officers of the Company or to employees of the Company or employees of any subsidiaries of the Company or to the relations, connections or dependants of any such persons and establish, maintain and/or support (financially or otherwise) share or share option/incentive schemes and trusts for the benefit of any such persons, or to make payment towards insurance; to support or subscribe to any charitable or public institutions, clubs, societies or funds."

AND THAT the directors of the Company be and are authorised to give effect to the Proposed Amendment, with full power to assent to any condition, modification, variation and/or amendment deemed by them to be necessary, fit or expedient and in the best interest of the Company, or as may be required by any relevant regulatory authority or by the Court."

BY ORDER OF THE BOARD

MISNI ARYANI MUHAMAD (LS 0009413)
Secretary

Selangor Darul Ehsan
6 June 2012

Notes:

1. For purpose of determining a member who shall be entitled to attend this EGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, to issue a General Meeting Record of Depositors as at 21 June 2012. Only a depositor whose name appears on the Record of Depositors as at 21 June 2012 shall be regarded as a member entitled to attend, speak and vote at the Company's EGM or appoint proxies to attend and/or vote on his/her behalf.
2. A member entitled to attend and vote at this meeting is entitled to appoint a proxy/proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and Section 149(1)(b) of the Companies Act, 1965, shall not apply to the Company.
3. The instrument of proxy shall be in writing and signed by the appointer or by his attorney and in the case of a corporation, either under its common seal or signed by its attorney or officer on behalf of the corporation.
4. A member who holds 1,000 shares or less in the Company is entitled to appoint one (1) proxy whilst a member holding more than 1,000 shares in the Company is entitled to appoint a maximum of two (2) proxies. Where a member of the Company is an authorised nominee as defined in accordance with the Security Industry (Central Depositories) Act, 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member appoints two (2) proxies, the appointments shall be invalid unless the proportion of holding to be represented by each proxy is specified.
6. The instrument appointing a proxy or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Share Registrar's office, Mega Corporate Services Sdn Bhd at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur not less than forty eight (48) hours before the time for holding the meeting or adjourned meeting, or in the case of a poll not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

TIMETM

TIME DOTCOM BERHAD

(Company No. 413292-P)
(Incorporated in Malaysia under the Companies Act, 1965)

FORM OF PROXY

No. of shares	CDS Account No.

I/We _____ Identification /Company No.: _____
(Name in block letters)

of _____
(Full address)

being a member/members of **TIME dotCom Berhad** hereby appoint the following person(s):-

Name of Proxy & NRIC

No of shares to be represented by proxy

1. _____
2. _____

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held at Saujana Ballroom, Ground Floor, Saujana Resort, Jalan Lapangan Terbang SAAS, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 28 June 2012 at 11.00 a.m. or immediately following the conclusion or adjournment (as the case may be) of the 15th Annual General Meeting of TdC, which will be held at the same venue and on the same day at 10.00 a.m. or any adjournment thereof, whichever is later.

You may indicate which an "X" or "√" in the boxes provided below how you wish your votes to be cast. Please note that the filing of this form is for indicative purposes only and shall not bind the Company or in any way obligate or require the Company to ensure that your proxy shall vote in the manner as indicated by you.

Please take further note that the Company shall accept the vote cast by your proxy as a valid note whether or not your proxy has acted in accordance with your instructions.

	For	Against
Ordinary Resolution 1 : Proposed Mandate		
Ordinary Resolution 2 : Proposed Share Grant Plan		
Special Resolution : Proposed Amendment		

Signed this _____ day of _____ 2012.

Signature/Common Seal of Appointer

Notes:

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Fold this flap for sealing

Then fold here

AFFIX
STAMP

MEGA CORPORATE SERVICES SDN BHD
Level 15-2, Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia

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