

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



TIME DOTCOM BERHAD (413292-P)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

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

Adviser

AmInvestment Bank Berhad
(Company No. 23742-V)

A member of



AmInvestment Bank
Group

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Resolution in respect of the above will be tabled as Special Business at the Company's 13th (Thirteenth) Annual General Meeting ("**AGM**") to be held at Banquet Hall, Level 1, Centre Lobby, Kuala Lumpur Golf & Country Club, No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Monday, 28 June 2010 at 2.30 p.m. The Notice of the AGM together with the Form of Proxy are set out in the Annual Report of the Company for the financial year ended 31 December 2009 despatched together with this Circular.

A shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. The Form of Proxy, to be valid, must be deposited at the Share Registrar's office at Level 15-2, Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time set for the AGM or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

The last day and time for lodging the Form of Proxy is on Saturday, 26 June 2010 at 2.30 p.m.

This Circular is dated 3 June 2010

DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires, the following definitions shall apply:-

- Act** - Companies Act, 1965 as amended from time to time and any re-enactment thereof
- AGM** - Annual General Meeting
- AmInvestment Bank** - AmInvestment Bank Berhad (Company No. 23742-V), a member of the AmInvestment Bank Group
- Board** - The Board of Directors of TdC
- Bursa Securities** - Bursa Malaysia Securities Berhad (Company No. 635998-W)
- Director(s)** - Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007 and includes 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) a director of the corporation, its subsidiary or holding company; or
 - (b) a chief executive of the corporation, its subsidiary or holding company
- FYE** - Financial year ended
- Listing Requirements** - Main Market Listing Requirements of Bursa Securities
- Major Shareholder(s)** - A person who has an interest or interests in one or more voting shares in a corporation 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,
- and includes a 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 major shareholder of TdC or any other company which is its subsidiary or holding company
- For the purpose of this definition, "interest in shares" has the meaning given in Section 6A of the Act
- Person(s) Connected** - Shall have the meaning given in Paragraph 1.01 of the Listing Requirements
- Proposed New Shareholders' Mandate** - Proposed new shareholders' mandate for RRPTs
- Related Party/(ies)** - Director(s), Major Shareholder(s) or Person(s) Connected with such Director(s) or Major Shareholder(s). For the purpose of the Proposed New Shareholders' Mandate, the details of the Related Parties are set out in Section 2.3.1 of this Circular
- RM** - Ringgit Malaysia, the lawful currency of Malaysia

DEFINITIONS (CONT'D)

- RRPT(s)** - Recurrent related party transaction(s) of a revenue or trading nature
- TdC or Company** - Time dotCom Berhad (Company No. 413292-P)
- TdC Group** - TdC and its subsidiary companies
- TdN** - TIME dotNet Berhad (Company No. 507273-T)
- TTdC** - TT dotCom Sdn Bhd (Company No. 52371-A)

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

LETTER FROM THE BOARD TO THE SHAREHOLDERS OF TdC IN RELATION TO THE PROPOSED NEW SHAREHOLDERS' MANDATE CONTAINING:-

	Page
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE	2
3. RATIONALE FOR THE PROPOSED NEW SHAREHOLDERS' MANDATE	11
4. EFFECTS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE	11
5. CONDITION OF THE PROPOSED NEW SHAREHOLDERS' MANDATE.....	11
6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS.....	11
7. DIRECTORS' RECOMMENDATION	13
8. AGM	13
9. FURTHER INFORMATION	13
 APPENDIX I - FURTHER INFORMATION	 14



TIME DOTCOM BERHAD (413292-P)
(Incorporated in Malaysia)

Registered Office

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

3 June 2010

Board of Directors

Abdul Kadir Md Kassim (*Non-Independent, Non-Executive Director, Chairman*)
Dato' Azian Mohd Noh (*Non-Independent, Non-Executive Director*)
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, Chief Executive Officer*)
Megat Hisham Hassan (*Non-Independent, Executive Director, Chief Operating Officer*)

To : The Shareholders of TdC

Dear Sir / Madam,

PROPOSED NEW SHAREHOLDERS' MANDATE

1. INTRODUCTION

On 14 May 2010, AmInvestment Bank, on behalf of the Board, announced that TdC intends to seek shareholders' approval for the Proposed New Shareholders' Mandate in accordance with Paragraph 10.09 of the Listing Requirements.

Pursuant to Paragraph 3.1.4, Practice Note 12 of the Listing Requirements, the Proposed New Shareholders' Mandate, if approved by the shareholders of TdC, will take effect from the date of the passing of the ordinary resolution proposed at the forthcoming AGM and shall apply until :-

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which such approval was given, at which time it will lapse, unless by a resolution passed at that AGM, the authority is renewed;
- (ii) the expiration of the period within which the next AGM 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
- (iii) revoked or varied by a resolution passed by the shareholders of TdC in a general meeting,

whichever is the earlier.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE AND ALSO TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED NEW SHAREHOLDERS' MANDATE TO BE TABLED AT THE FORTHCOMING AGM UNDER THE AGENDA OF SPECIAL BUSINESS AS SET OUT IN THE NOTICE OF AGM CONTAINED IN THE ANNUAL REPORT OF THE COMPANY FOR FYE 31 DECEMBER 2009. THE NOTICE OF AGM IS ENCLOSED TOGETHER WITH THE SAID ANNUAL REPORT OF THE COMPANY FOR FYE 31 DECEMBER 2009.

SHAREHOLDERS OF TdC ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE RELEVANT APPENDICES BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED NEW SHAREHOLDERS' MANDATE AT THE FORTHCOMING AGM.

2. DETAILS OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Pursuant to Part E, Paragraph 10.09 of the Listing Requirements, a listed issuer may seek a shareholders' mandate in respect of RRPTs which are necessary for its day-to-day operations subject to, *inter-alia*, the following :-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where, in relation to a listed issuer with an issued and paid-up capital of RM60.0 million and above :-
 - (a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1,000,000; or
 - (b) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1.0%,

whichever is the higher;

- (iii) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested persons 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 approving 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
- (iv) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more.

The shareholders' mandate obtained pursuant to the Proposed New Shareholders' Mandate shall lapse at the conclusion of the 14th AGM unless authority for its renewal is obtained from the shareholders of the Company at the said AGM.

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 11 May 2010 are set out in the table below:-

Name of company	Effective equity interest (%)	Principal activities
TTdC	100.0	Provision of voice, data, video and image communication services through its domestic and international network.
TIMESat Sdn Bhd	100.0	Provision of telecommunication facilities and services using satellite and microwave. The company is currently dormant and derives its income from leasing of telecommunication facilities.
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 board.
Hakikat Pasti Sdn Bhd	100.0	Acquiring and holding for investment purposes shares, stocks, debenture bonds, notes, obligations and securities and every other kind and description of movable and immovable property.

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

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK

2.3 Classes And Nature Of The RRPTs

2.3.1 Classes of RRPTs

The Proposed New Shareholders' Mandate will apply to transactions with the following Related Parties:-

Related Transacting Parties	Interested Related Parties	Nature of Relationship
AIMS Data Centre Sdn Bhd ("AIMS")	The AIMS Asia Group Sdn Bhd ("AIMS Asia"), Megawisra Sdn Bhd ("MSB"), Megawisra Investments Ltd ("MIL"), Afzal Abdul Rahim ("Encik Afzal") and Gan Te-Shen ("Mr Gan")	AIMS is a subsidiary of AIMS Asia which in turn is a subsidiary of MSB. MSB is a subsidiary of MIL. MIL is deemed a major shareholder of AIMS by virtue of its shareholdings in MSB.
		Encik Afzal is a director and deemed a major shareholder of AIMS by virtue of his interests held through AIMS Asia and MSB via his shareholdings in MIL. He is also a director of TdC and deemed a major shareholder of TdC by virtue of his interests held through Pulau Kapas Ventures Sdn Bhd ("PKV"), Global Transit International Sdn Bhd ("GTI") and MSB via his shareholdings in MIL.
		Mr Gan is a director and deemed a major shareholder of AIMS by virtue of his interests held through AIMS Asia and MSB via his shareholdings in MIL. He is also deemed a major shareholder of TdC by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL.

Related Transacting Parties	Interested Related Parties	Nature of Relationship
Global Transit Communications Sdn Bhd ("GTC")	PKV, Khazanah Nasional Berhad ("Khazanah"), UEM Group Berhad ("UEM"), Time Engineering Berhad ("TIME"), MIL, MSB, GTI, Encik Afzal, Mr Gan, Abdul Kadir Md Kassim ("Encik Kadir"), Elakumari Kantilal ("Puan Ela") and Megat Hisham Hassan ("Encik Megat").	<p>GTC is a subsidiary of PKV. Khazanah is a major shareholder of PKV. Therefore, Khazanah is deemed a major shareholder of GTC by virtue of its shareholdings in PKV. UEM is a major shareholder of TIME which in turn is a major shareholder of TdC. Khazanah is a major shareholder of UEM. Khazanah is deemed a major shareholder of TdC by virtue of its interests held through PKV and TIME via its shareholdings in UEM.</p> <p>MIL is the holding company of MSB, which in turn holds GTI. GTI is a major shareholder of PKV. Therefore, GTI, MSB and MIL are deemed major shareholders of TdC and GTC via GTI's shareholdings in PKV.</p> <p>Encik Afzal is a director and deemed a major shareholder of GTC by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL. He is also a director of PKV and TdC and deemed a major shareholder of TdC by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL.</p> <p>Mr Gan is deemed a major shareholder of GTC and TdC by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL.</p> <p>Encik Kadir is a director of TdC and UEM.</p> <p>Puan Ela is a nominee director of Khazanah in TdC and a director of TIME and PKV.</p> <p>Encik Megat is a director of TdC and PKV.</p>

Related Transacting Parties	Interested Related Parties	Nature of Relationship
GTI	MIL, MSB, PKV, Encik Afzal, Mr Gan, Encik Kadir, Puan Ela, Encik Megat, UEM, TIME and Khazanah	<p>MIL is the holding company of MSB, which in turn holds GTI. GTI is a major shareholder of PKV. PKV is a major shareholder of TdC. Therefore, GTI, MSB and MIL are deemed major shareholders of TdC via GTI's shareholdings in PKV.</p> <p>Encik Afzal is a director of GTI and deemed a major shareholder of GTI by virtue of his interests held through MSB via his shareholdings in MIL. He is also a director of PKV and TdC and deemed a major shareholder of TdC by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL.</p> <p>Mr Gan is a director of GTI and deemed a major shareholder of GTI and TdC by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL.</p> <p>Encik Kadir is a director of TdC and UEM.</p> <p>Puan Ela is a nominee director of Khazanah in TdC and a director of TIME and PKV.</p> <p>Encik Megat is a director of TdC, PKV and GTI.</p> <p>UEM is a major shareholder of TIME which in turn is a major shareholder of TdC. Khazanah is a major shareholder of UEM. Khazanah is a major shareholder of PKV and deemed a major shareholder of TdC by virtue of its interests held through PKV and TIME via its shareholdings in UEM.</p>
Proton Holdings Berhad ("Proton"), its subsidiaries and other related companies ("Proton Group")	Khazanah, PKV, UEM, TIME, Encik Kadir, Puan Ela and Encik Megat	<p>Khazanah is a major shareholder of Proton.</p> <p>PKV is a subsidiary of Khazanah and also a major shareholder of TdC.</p> <p>UEM is a major shareholder of TIME which in turn is a major shareholder of TdC. Khazanah is a major shareholder of UEM. Khazanah is therefore deemed a major shareholder of TdC by virtue of its interests held through PKV and TIME via its shareholdings in UEM.</p> <p>Encik Kadir is a director of TdC, UEM and Proton.</p> <p>Puan Ela is a nominee director of Khazanah in TdC and a director of TIME and PKV.</p> <p>Encik Megat is a director of TdC and PKV.</p>

Related Transacting Parties	Interested Related Parties	Nature of Relationship
<p>UEM and its subsidiaries ("UEM Group")</p>	<p>UEM, TIME, Khazanah, PKV, Encik Kadir, Puan Ela and Encik Megat</p>	<p>UEM is a major shareholder of TIME which in turn is a major shareholder of TdC. Khazanah is a major shareholder of UEM.</p> <p>PKV is a subsidiary of Khazanah and also a major shareholder of TdC.</p> <p>Khazanah is therefore deemed a major shareholder of TdC by virtue of its interests held through PKV and TIME via its shareholdings in UEM.</p> <p>Encik Kadir is a director of TdC and UEM.</p> <p>Puan Ela is a nominee director of Khazanah in TdC and a director of TIME and PKV.</p> <p>Encik Megat is a director of TdC and PKV.</p>
<p>Telekom Malaysia Berhad ("Telekom") and its subsidiaries ("Telekom Group")</p> <p>Tenaga Nasional Berhad ("Tenaga") and its associated company ("Tenaga Group")</p> <p>Malaysian Airline System ("MAS")</p> <p>Pos Malaysia Berhad ("POS")</p> <p>CIMB Group Holdings Berhad ("CIMB") and its subsidiaries ("CIMB Group")</p> <p>Axiata Group Berhad ("Axiata") and its subsidiaries ("Axiata Group")</p>	<p>Khazanah, UEM, TIME, PKV, Encik Kadir, Puan Ela and Encik Megat</p>	<p>Khazanah is a major shareholder of Telekom, Tenaga, MAS, POS, CIMB and Axiata.</p> <p>UEM is a major shareholder of TIME which in turn is a major shareholder of TdC. Khazanah is a major shareholder of UEM. PKV is a subsidiary of Khazanah and also a major shareholder of TdC.</p> <p>Khazanah is therefore deemed a major shareholder of TdC by virtue of its interests held through PKV and TIME via its shareholdings in UEM.</p> <p>Encik Kadir is a director of TdC and UEM.</p> <p>Puan Ela is a nominee director of Khazanah in TdC and a director of TIME and PKV.</p> <p>Encik Megat is a director of TdC and PKV.</p>

2.3.2 Nature Of RRPTs

The details of the RRPTs are as follows:-

Name of Related Transacting Parties	Type of Transactions	Interested Related Parties	Estimated Aggregate Value from the Date of the 13 th AGM to the Date of the Next AGM [^] (RM' million)
1. GTC	Provision of bandwidth services by GTC to TTdC Provision of bandwidth business by TTdC to GTC Provision of IP transit by GTC to TdN	PKV, Khazanah, UEM, TIME, MIL, MSB, GTI, Encik Afzal, Mr Gan, Encik Kadir, Puan Ela and Encik Megat	9.80 144.00 6.00
2. AIMS	Provision of bandwidth services, leased line and ethernet by AIMS to TTdC	AIMS Asia, MSB, MIL, Encik Afzal and Mr Gan	28.00
3. GTI	Provision of bandwidth business by GTI to TTdC	MIL, MSB, PKV, Encik Afzal, Mr Gan, Encik Kadir, Puan Ela, Encik Megat, UEM, TIME and Khazanah	144.00
4. Proton Group	Provision of internet, data, voice and managed services by TTdC to Proton Group	Khazanah, PKV, UEM, TIME, Encik Kadir, Puan Ela and Encik Megat	5.74
5. Telekom Group	Provision of leased line, point of interconnect, point of access and integrated services digital network (ISDN) backup by Telekom Group to TTdC	Khazanah, UEM, TIME, PKV, Encik Kadir, Puan Ela and Encik Megat	10.00
6. Tenaga Group	Provision of low voltage infrastructure, co-location, leased line, indoor equipment space, outdoor space, rooftop space and supervision by Tenaga Group to TTdC Provision of telecommunication services (voice) by TTdC to Tenaga Group	Khazanah, UEM, TIME, PKV, Encik Kadir, Puan Ela and Encik Megat	1.20 0.18

Name of Related Transacting Parties	Type of Transactions	Interested Related Parties	Estimated Aggregate Value from the Date of the 13 th AGM to the Date of the Next AGM [^] (RM' million)
7. MAS	Provision of telecommunication services (voice) by TTdC to MAS	Khazanah, UEM, TIME, PKV, Encik Kadir, Puan Ela and Encik Megat	0.40
8. POS	Provision of telecommunication services (voice, data and internet) by TTdC to POS	Khazanah, UEM, TIME, PKV, Encik Kadir, Puan Ela and Encik Megat	0.66
9. UEM Group	Provision of telecommunication services (data, internet, managed services and voice) by TTdC to UEM Group Maintenance of regeneration of cabins and repair works for fibre optic cables and ancillaries and the provision of wayleave and right of use of TTdC by UEM Group to TTdC	UEM, TIME, Khazanah, PKV, Encik Kadir, Puan Ela and Encik Megat	1.94 22.00
10. CIMB Group	Provision of telecommunication services (data, internet, managed services and voice) by TTdC to CIMB Group	Khazanah, UEM, TIME, PKV, Encik Kadir, Puan Ela and Encik Megat	0.52
11. Axiata Group	Provision of telecommunication services (internet) by TTdC to Axiata Group	Khazanah, UEM, TIME, PKV, Encik Kadir, Puan Ela and Encik Megat	0.40

[^] The estimated value of the aforesaid transactions was arrived at based on the forecast sales/purchases to be undertaken from the date of the 13th AGM to the date of the next AGM, and the actual transaction value may therefore vary and are subject to change.

2.4 Guidelines And Review Procedures

The audit committee of the Company ("**Audit Committee**") will be tasked with the review and approval of the RRPTs to ensure that the 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. The Company's internal audit plan and the terms of reference of the audit committee shall include a critical review of the RRPTs 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 the minority shareholders in the light of the circumstances concerned. A summary of RRPTs are tabled to the Audit Committee quarterly for notation. If a member of the Board or of the Audit Committee has an interest, as the case may be, he shall abstain from any decision making by the Board or the Audit Committee in respect of the RRPTs.

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 substantial 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 RRPTs are not detrimental to the TdC Group.

There is no specific threshold for the approval of RRPTs 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 the minority shareholders.

2.5 Statement By Audit Committee

The Audit Committee is of the view that the procedures and guidelines as stated in Section 2.4 above are sufficient to ensure that the RRPTs undertaken 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. The Audit Committee is also satisfied that the TdC Group has in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner. The Audit Committee conducts the review of these procedures and processes every six (6) months.

3. RATIONALE FOR THE PROPOSED NEW SHAREHOLDERS' MANDATE

The RRPTs to be entered into by the TdC Group for which the Proposed New Shareholders' 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 RRPTs may be constrained in terms of time-sensitivity, confidentiality and frequency and would therefore make it impracticable for the Company to seek shareholders' approval on a case-to-case basis. Notwithstanding this, the Proposed New Shareholders' Mandate will allow the TdC Group to enter into the RRPTs which are crucial as these RRPTs will ensure and continue to ensure a timely delivery and/or provision of services, commitment and reliability of quality services of the TdC Group which translates to more efficient day-to-day business operations of the TdC Group.

The Proposed New Shareholders' 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 RRPTs arise. In view of the foregoing, the Proposed New Shareholders' Mandate, if approved, will substantially reduce administrative time, inconvenience and expenses for the Company. This will thereafter allow the 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 NEW SHAREHOLDERS' MANDATE

The Proposed New Shareholders' 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 the Company.

5. CONDITION OF THE PROPOSED NEW SHAREHOLDERS' MANDATE

The Proposed New Shareholders' Mandate is subject to the approval of the shareholders of TdC at the forthcoming AGM.

6. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed below, none of the directors and major shareholders of the Company as well as persons connected to them have any interest, direct and/or indirect, in the Proposed New Shareholders' Mandate :-

(i) Major Shareholders' Interests

Based on the Register of Substantial Shareholders as at 11 May 2010, the shareholdings of the interested major shareholders in TdC are as follows :-

Name	←----- No. of Shares -----→			
	Direct	(%)	Indirect	(%)
PKV	760,209,826	30.04		
TIME	726,181,720	28.69		
UEM			¹ 726,181,720	28.69
Khazanah	-	-	² 1,486,391,546	58.73
GTI	-	-	³ 760,209,826	30.04
MSB	-	-	⁴ 760,209,826	30.04
MIL	-	-	⁵ 760,209,826	30.04
Encik Afzal	-	-	⁶ 760,209,826	30.04
Mr Gan	-	-	⁷ 760,209,826	30.04

Notes:

- ¹ Deemed interested by virtue of its interests held through TIME pursuant to Section 6A of the Act
- ² Deemed interested by virtue of its interests held through PKV and TIME via its shareholdings in UEM pursuant to Section 6A of the Act
- ³ Deemed interested by virtue of its interests held through PKV pursuant to Section 6A of the Act
- ⁴ Deemed interested by virtue of its interests held through PKV via its shareholdings in GTI pursuant to Section 6A of the Act
- ⁵ Deemed interested by virtue of its interests held through PKV and GTI via its shareholdings in MSB pursuant to Section 6A of the Act
- ⁶ Deemed interested by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL pursuant to Section 6A of the Act
- ⁷ Deemed interested by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL pursuant to Section 6A of the Act

By virtue of the relationships of the major shareholders as set out in section 2.3.1, PKV, TIME, UEM, Khazanah, GTI, MSB, MIL, Encik Afzal and Mr Gan (collectively referred to as "**Interested Major Shareholders**") are deemed interested in the Proposed New Shareholders' Mandate.

Accordingly, the Interested Major Shareholders will abstain from voting on the Proposed New Shareholders' Mandate in respect of their direct and/or indirect shareholdings in TdC on the resolution pertaining to the Proposed New Shareholders' Mandate to be tabled at the forthcoming AGM. 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 New Shareholders' Mandate to be tabled at the forthcoming AGM.

(ii) **Directors' Interests**

Encik Kadir is a director of TdC, UEM and Proton. Puan Ela is a nominee director of Khazanah in TdC and a director of PKV and TIME. Encik Megat is a director of TdC, PKV and GTI.

Encik Afzal is a director and major shareholder of PKV, GTI, GTC and AIMS, the related transacting parties. He is also a director of TdC and deemed a major shareholder of TdC by virtue of his interests in PKV, GTI and MSB via his shareholdings in MIL.

(Encik Kadir, Puan Ela, Encik Megat and Encik Afzal are collectively referred to as "**Interested Directors**").

As at 11 May 2010, the shareholding of the Interested Directors in TdC is as follows:-

Name	←----- No. of Shares -----→			
	Direct	(%)	Indirect	(%)
Encik Kadir	-	-	-	-
Puan Ela	-	-	-	-
Encik Megat	-	-	-	-
Encik Afzal	-	-	760,209,826	30.04

* Deemed interested by virtue of his interests held through PKV, GTI and MSB via his shareholdings in MIL pursuant to Section 6A of the Act

The Interested Directors have abstained and will continue to abstain from deliberating and voting on the Proposed New Shareholders' 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 New Shareholders' Mandate to be tabled at the forthcoming AGM.

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 New Shareholders' Mandate to be tabled at the forthcoming AGM.

Save as disclosed above, none of the other directors or major shareholders have any interest, direct or indirect, in the Proposed New Shareholders' Mandate.

7. DIRECTORS' RECOMMENDATION

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

8. AGM

The AGM, the Notice of which is enclosed in the Annual Report of the Company for FYE 31 December 2009 accompanying this Circular, will be held at Banquet Hall, Level 1, Centre Lobby, Kuala Lumpur Golf & Country Club, No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Monday, 28 June 2010 at 2.30 p.m. for the purpose of considering and, if thought fit, passing the resolution to give effect to the Proposed New Shareholders' Mandate.

If you are unable to attend and vote in person at the AGM, you may complete, sign and return the Form of Proxy in accordance with the instructions contained thereon as soon as possible, so as to arrive at the Registered Office of the Company not later than forty-eight (48) hours before the time for holding the AGM. The completion and lodging of the Form of Proxy will not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

9. FURTHER INFORMATION

Shareholders are requested to refer to the attached appendix for further information.

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

Ronnie Kok Lai Huat
Senior Independent, Non-Executive Director

APPENDIX I - FURTHER INFORMATION

1. RESPONSIBILITY STATEMENT

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

2. CONSENT

2.1 Consent

The written consent of AmlInvestment Bank for the inclusion in this Circular of their names and/or letters and all references thereto in the form and context in which they appear have been given and have not been subsequently withdrawn before the issue of this Circular.

2.2 Conflict of Interest

AmlInvestment Bank is not aware of any circumstances which would or is likely to give rise to a conflict of interest situation in its capacity as the Adviser to TdC for the Proposed New Shareholders' Mandate.

3. MATERIAL CONTRACTS

Save as disclosed below, TdC and/or its subsidiary companies have not entered into any material contract outside the ordinary course of business within the two (2) years immediately preceding the date of this Circular.

- (i) On 1 December 2008, TdC has entered into a share sale agreement with Paycomm Sdn Bhd for the disposal of TdC's entire equity interest comprising 116,805,285 ordinary shares of RM1.00 in TIME Reach Sdn Bhd for a cash consideration of Ringgit Malaysia Eight Million and Three Hundred Thousand (RM8,300,000.00). The disposal was completed on 15 April 2009.
- (ii) On 5 February 2009, TdC together with its wholly-owned subsidiary companies, TdN and TTdC, have entered into a collaboration agreement with GTC to co-operate with each other to complement and leverage on their respective core competencies in the provision of internet access and/or internet protocol transit services.

4. MATERIAL LITIGATION

TdC and/or its subsidiary companies have not engaged in any material litigation, claim or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of TdC and/or its subsidiary companies and the Board has no knowledge of any proceedings pending or threatened against TdC and/or its subsidiary companies or any fact likely to give rise to any proceeding which may materially and adversely affect the financial position of TdC and/or its subsidiary companies.

5. DOCUMENTS AVAILABLE FOR INSPECTION

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

- (i) Memorandum and Articles of Association of TdC;
- (ii) Audited financial statements of TdC for the two (2) FYE 31 December 2008 and 31 December 2009 and unaudited consolidated results of TdC for the three (3)-month period ended 31 March 2010;

APPENDIX I - FURTHER INFORMATION (Cont'd)

- (iii) The consent letter as set out in Section 2 of this Appendix; and
- (iv) The material contracts referred to in Section 3 of this Appendix.

THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK