



News Release

REDTONE AND CELCOM IN DEAL TO ROLL OUT INDUSTRY FIRST

Both companies launch Malaysia's first MVNO for the enterprise postpaid segment

Kuala Lumpur, Tuesday (November 20, 2007):

In what is seen as a first in the industry, tier-2 telco REDtone International Bhd has partnered Celcom (Malaysia) Berhad in a deal that will see REDtone assuming the role of a mobile virtual network operator (MVNO) for enterprise customers in the postpaid segment.

The deal with Celcom, a wholly-owned unit of Telekom Malaysia Bhd, is through REDtone's wholly-owned subsidiary, REDtone Mobile Services Sdn Bhd (formerly known as Jupitel Sdn Bhd).

Through the strategic partnership, REDtone Mobile will utilise Celcom's leading network to offer a broad range of mobile phone services that will be packaged and marketed under the REDtone brand. These services which include SMS, MMS, GPRS and 3G will be targeted at business customers within the postpaid segment, an area which REDtone is strong in.

Both parties today signed a Memorandum of Agreement (MoA) for a contract period of five years.

Representing REDtone Mobile at the signing ceremony was REDtone group managing director Wei Chuan Beng, whilst chief executive officer Dato' Sri Shazalli Ramly signed on behalf of Celcom.

Speaking at the signing ceremony, Celcom's chief executive officer Dato' Sri Shazalli Ramly said that the partnership with REDtone marks yet another in a series of firsts for the industry, driven by Celcom.

"We are the most progressive of celcos in meeting the government's intentions on MVNOs. Celcom was the first operator to enter into a nationwide domestic roaming agreement, and we were also the first to embark upon a strategic MVNO for the foreign worker's market, via our partnership with Merchantrade, and we are proud to enter the first MVNO for the enterprise segment.

Dato' Sri Shazalli also added that this collaboration between a tier-1 and tier-2 telco is a significant milestone for the telco industry and will not only benefit both companies but consumers and the industry as a whole as well. He added that Celcom's progressive approach towards MVNOs was a reflection of TM Group's commitment to the Ministry of Energy, Water and Telecommunications' vision for the industry.

"Through this initiative, Celcom stands to empower REDtone customers by offering them the benefit of the country's widest and best 2G and 3G coverage. With our unbeatable speed, rates, coverage and service, REDtone customers will be able to enjoy the same quality of service as Celcom customers, even in the most remote areas of the country," Dato' Sri Shazalli said.

Commenting on the MVNO alliance, REDtone group managing director Wei Chuan Beng said, "We are pleased that Celcom sees the value in working alongside REDtone to roll out the country's first MVNO-based services tailored for postpaid business customers.

"With its widest, fastest and best coverage, we believe we are in the position to help Celcom turn these advantages into additional revenue for the company."

On its decision to focus on the enterprise sector in the postpaid segment, Wei said that REDtone has built a solid reputation amongst these customers.

Wei said the collaboration was perfectly timed as the mobile segment, especially in the area of value-added services, is growing and offers good business opportunities for REDtone.

Wei added, "Our smart partnership with Celcom, which marks the first time that we are collaborating with a tier-1 telco, underscores the importance that REDtone is placing in building a working relationship with Telekom Malaysia and tier-1 telcos."

According to Wei, REDtone's move into MVNO is part of the company's "Changing Rules, Better Alternatives" rebranding initiative as it seeks to transform itself into an alternative full-service telco provider.

"Extending our services to include Data, Broadband and Mobile will enable us to tap into the vast potential of these growth areas and to help enhance our revenue stream," he said.

REDtone Mobile is expected to launch its MVNO services in the 1st quarter of next year.

- end -

About Celcom (Malaysia) Bhd

Celcom is now the country's most experienced and premier mobile cellular telecommunications company with 6.7 million customers, as at September 2007. It currently has the widest network coverage covering 97% of the populated areas in the country. We were the first to launch the 3G service in Malaysia and have the widest 3G coverage in the country.

Celcom also offers international roaming service in 120 countries over 317 networks worldwide. It currently offers mobile telephony services in Malaysia for postpaid and prepaid products under the 019 and 013 access codes. For more information on Celcom, log on to <http://www.celcom.com.my>

About REDtone International Bhd

REDtone was listed on the Malaysian Exchange Of Securities Dealing & Automated Quotations (MESDAQ) in January 2004. The MSC Malaysia status company aims to be a leading alternative communications and multimedia innovator and service provider in all the markets it serves. Its four core services are broadband, data, voice (discounted calls) and TravelFon, a no roaming charge mobile phone service that offers users the cheapest calls when they travel.

REDtone has a lion's share of 35% of the discounted call market in Malaysia. It has successfully replicated its proven discounted call business model in China, Pakistan and Singapore. The company is known for its in-house R&D capabilities and its homegrown technological innovations have won many awards in Malaysia and abroad. More about REDtone available at www.redtone.com.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Celcom (Malaysia) Berhad
Media Relations
Corporate Communications
Rohizan Ismail & Afni Baizura Mohd Adnan
Tel: 03 2688 3808 / 03 2688 3804

NexusPR Sdn Bhd (for REDtone)
BG Tay
Tel: 03 7725 1908
Mobile: 012 202 5898
Email: bnexuspr@pd.iaring.my