



JOINT NEWS RELEASE

LANDMARK INFRASTRUCTURE COLLABORATION FOR BACK-HAUL, HSBB ACCESS AND DOMESTIC ROAMING SERVICES BETWEEN CELCOM, TM AND P1

KUALA LUMPUR, 28 JANUARY 2016 – In the spirit of supporting the Government's call for greater collaboration amongst industry players, Malaysia's leading telecommunications companies - Celcom Axiata Berhad (Celcom), Telekom Malaysia Berhad (TM) and Packet One Networks (Malaysia) Sdn. Bhd. (P1) today have signed a series of agreements – of which the three (3) core agreements are TM Next-Gen Backhaul™ (NGBH), High Speed Broadband (HSBB) (Access) and domestic roaming services - to further leverage on each other's existing infrastructure - towards enhancing and developing a greater internet experience for their respective customers.

Celcom and TM inked a landmark infrastructure collaborative deal to extend their existing partnership which will now progress to the next phase of backhaul services provision. Aside from the TM Next-Gen Backhaul™ (NGBH) services deal extension, Celcom also signed an agreement for domestic roaming service provision with P1.

Previously, Celcom and TM had established the partnership in 2011 and the following phase in 2015. The partnership will accelerate the fiberisation rollout of Celcom's 4G network through TM's provision of an extensive and robust backhaul with high bandwidth capacity. This is part of Celcom's ongoing efforts in the continuous and rigorous roll out of its Long Term Evolution (LTE) site deployment nationwide.

Within the collaborative arrangement there will also be an extension of the agreement for Celcom's access to TM's HSBB network. This will enable the country's leading data provider to offer fixed broadband services, both for Business to Customer and Business to Business segments on top of its mobile offerings.

In another significant development, Celcom will be extending its mobile domestic roaming services to TM Group. This is a big step for the industry players in displaying the true essence of working together for the benefit of majority Malaysians. The infrastructure collaboration signifies a unionised objective between Celcom and TM, as the alliance will facilitate a faster pace towards fulfilling the aspirations of both parties in becoming converged players. TM is well on track with its mobility aspirations towards becoming Malaysia's Convergence Champion, while Celcom maintains its stand as the most Undisputed No.1 Network Service Provider.

Celcom's domestic roaming service provision to TM will be facilitated through its subsidiary, P1. P1 is currently being developed as the mobile arm and mobility centre of excellence within TM Group, whilst managing TM's LTE network and planning for its future growth. This strategic collaboration will further strengthen P1's readiness to launch its mobile services this year.

The agreement was signed by Chief Executive Officer of Celcom Axiata Berhad, Dato' Sri Shazalli Ramly; Group Chief Executive Officer of TM and Chairman of P1, Tan Sri Zamzamzairani Mohd Isa; and Chief Executive Officer of P1, Puan Chan Cheong. Also present at the event were Ramanathan Sathiamutty, Chief Operation, Technology, Digital & Enabler Officer of Celcom; Datuk Bazlan Osman, Group Chief Financial Officer, TM; and Azizi A. Hadi, Chief Operating Officer of P1.

Dato' Sri Shazalli Ramly, Chief Executive Officer of Celcom Axiata Berhad accentuated on Celcom's undivided commitment to provide a heightened internet experience to the users and assuring that this partnership will boost its capability in delivering the superior quality network to its customers today and all customers in the future.

“Although we are already the leader in the industry, Celcom is moving stronger towards catering to the new digital generation preference, where these days customers are more concerned on whether they could watch their videos without interruption, or how fast would their webpages load, and these in technical terms, translate to how speedy a network is. The strategic collaboration will provide a whole new experience for our customers in enjoying the best of data network quality. “

“We are aware of the fact that the challenge for service providers today, where more competitors are emerging into the market. Although Celcom is leading the wireless market today, we want to continuously to be the provider of choice. With a robust backhaul and resilient network, we are confident that we are able to attract the prudent customers today; those who would choose to scout around for quality data network rather than choosing the super-discounted plan that will eventually disappoint them.”

Commenting about Celcom's entry into converged market, Dato' Sri Shazalli said, “It is a part of our ongoing commitment to the customers in providing value and better experience. Therefore, with endless innovation such as this venture into converged services, we will be able to continuously extend the options of our services offerings alongside our already superior wireless services on our Undisputed No. 1 Network.”

This will also empower Celcom to provide outreach and move into underserved markets to ensure connectivity is easily accessible,” he concluded at the signing ceremony today.

Meanwhile, Tan Sri Zamzamzairani Mohd Isa, Group Chief Executive Officer, TM said the TM Group was well on track towards becoming Malaysia's Convergence Champion, with P1 due to launch its mobile services in the first half of 2016.

“With the provision of domestic roaming services, our customers can stay connected with their families, friends and business associates wherever they may be, tapping on Celcom's extensive coverage nationwide. The collaboration facilitates our effort to further expand our mobility proposition, fully complementing our fixed broadband services for a true convergence experience. Beyond technology, customers expect the same service experience whether they are in the physical or digital world, whether they are working or at play – that is life. In the era of convergence, TM seeks to deliver convergence as a seamless experience beyond all the above, placing the customer at the heart of it all. This means we are taking up the challenge of viewing this experience end-to-end, throughout the customer journey with TM, across all touchpoints. Towards this, P1 is currently working together with us in conducting user trials and network readiness tests for the upcoming mobile services launch; a crucial process that is also made possible through this strategic collaboration.”

“We look forward to more exciting offerings for our consumers and businesses, true to TM's promise of ‘Life and Business Made Easier, for a Better Malaysia’. This collaboration is also expected to bring the nation closer towards achieving the National Broadband Initiative, in line with the Government's aspiration to ensure that at least 95% of Malaysians to have Internet access by 2020,” Tan Sri Zamzamzairani added.

This collaboration facilitates both organisations to optimise cost and efficiently utilise its infrastructure for faster service deployment, in adherence to the requirement by the Malaysian Communications and Multimedia Commission (MCMC) for service providers in the country to have a robust fiberised backhaul network for LTE rollout within a two-year timeline. Additionally, this collaboration will help to avoid unnecessary duplication of network infrastructure and it is a strategic move by both companies to be more operationally efficient as the industry matures.

“TM remains committed in providing an open access for all MCMC-licensed service providers - allowing these operators to provide and deliver value-added services to their end-users hence further strengthening TM's position as a neutral service provider,” Tan Sri Zamzamzairani concluded.