



MEDIA RELEASE

Axiata and edotco Upsizes 2016 Tower Sector Record Equity Private Placement Deal to USD700 million with KWAP as New Investor

Kuala Lumpur, 18 April 2017 – Axiata Group Berhad (“Axiata”) and its subsidiary, edotco Group Sdn. Bhd. (“edotco” or “Company”) today announced an additional USD100 million upside of its 2016 record tower sector equity private placement with Malaysia’s pension fund, Kumpulan Wang Persaraan (Diperbadankan) (“KWAP”) joining the fold of investors. The inclusion of KWAP brings edotco’s maiden equity private placement to USD700 million surpassing its initial announced placement size of USD600 million.

Based on edotco’s portfolio at the close, final allocation of the private placement exercise stands at USD400 million to Innovation Network Corporation of Japan, USD100 million to KWAP in primary shares, and USD200 million to Khazanah Nasional Berhad in secondary shares. At completion, edotco’s shareholding results in the investors collectively owning 37.6% of edotco, with Axiata remaining as the majority shareholder at 62.4%.

The enlarged placement of shares to KWAP is an extension of edotco’s equity private placement process announced in late December 2016 and was concluded on the same equity valuation of close to USD1.5 billion and an enterprise value to FY2016 EBITDA multiple of 12.5x, which is comparable to regional peers.

As the second largest pension fund in Malaysia and one of the government’s key investment arm, KWAP seeks to generate optimum returns from its investments. Since the incorporation of KWAP in 2007, the fund recorded an average annual growth of 11.2%. Its growth was attributed to the contributions by the federal government, statutory bodies, and accumulation of investment income over the years. As of 31 December 2016, KWAP’s unaudited fund stood at RM124.78 billion.

edotco is currently the 12th largest tower company globally with presence in Malaysia, Cambodia, Myanmar, Bangladesh, Sri Lanka and Pakistan and is continually assessing opportunities in existing and new markets for growth and expansion. The full proceeds from

the placement process will allow edotco to undertake value accretive opportunities as they arise.

Commentary

Suresh Sidhu, CEO of edotco said, “The upsize of USD100 million and the structure of the offering marks another achievement in our maiden private placement exercise. edotco now has the advantage of funding flexibility as well as the balance sheet capacity to continue to grow the business confidently and capitalise on potential acquisition opportunities.”

Tan Sri Jamaludin Ibrahim, President & Group Chief Executive Officer of Axiata added, “It is an honour for us to welcome KWAP as a new shareholder to edotco. As an existing long-standing investor in Axiata, KWAP’s take up of this placement not only validates our long-term growth strategy but also of edotco’s strong business fundamentals, its exceptional long-term prospects and experienced management team. We thank KWAP for placing their trust in both Axiata and edotco.”

Commenting on the investment, Dato’ Wan Kamaruzaman bin Wan Ahmad, CEO of KWAP said, “We have been very impressed by edotco’s rapid growth in the past five years, and would like to be part of its growth journey, towards becoming one of the leading tower players globally by 2020. Domestic private equity has been an area of growth and on a trajectory to provide attractive investment income to the fund in recent years, and we would like to continue building our portfolio in this area. The target is to allocate 3% of our assets in private equity by 2020.”

J.P. Morgan is the Sole Placement Agent in this transaction.

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About edotco

Established in 2012, edotco is the first regional and integrated telecommunications infrastructure services company in Asia, providing end-to-end solutions in the tower services sector from tower leasing, co-locations, build-to-suit, energy, transmission and operations and maintenance (O&M).

edotco operates and manages a regional portfolio of over 25,000 towers across core markets of Malaysia, Myanmar, Bangladesh, Cambodia, Sri Lanka and Pakistan with 17,100 towers directly operated by edotco and a further 8,100 towers managed through a range of services provided. edotco strives to deliver outstanding performance in telecommunications infrastructure services and solutions. Its state-of-the-art real time monitoring service, echo, has already seen improvements in field operations while maximizing operational efficiencies in terms of battery, energy and fuel consumption for telecommunications infrastructure.

edotco Group was recently awarded the Frost & Sullivan 2016 Southeast Asia Telecoms Tower Company of the Year Award for its demonstrated exemplary business growth and performance in Southeast Asia.

For more information, kindly visit www.edotcogroup.com

About Axiata Group Berhad

As one of the largest Asian telecommunications companies, Axiata today operates in ten countries, servicing approximately 320 million subscribers. With a diverse portfolio in mobile network operations, communications infrastructure services and digital services, the Group pieces together the best in connectivity, technology and people in its vision of Advancing Asia.

Axiata has controlling stakes in market leading mobile operators in South East Asia and South Asia. Axiata Group of companies operate under the brand name of 'Celcom' in Malaysia, 'XL' in Indonesia, 'Dialog' in Sri Lanka, 'Robi' in Bangladesh, 'Smart' in Cambodia and 'Ncell' in Nepal. Further to this, the Group also holds strategic interests in 'Idea' in India and 'M1' in Singapore.

edotco, the Group's integrated telecommunications infrastructure services company, operates in six countries to deliver telecommunications infrastructure services, operating a portfolio of over 25,000 towers (operated and managed) across 5 countries. It aims to be one of the top regional telecommunications tower companies and is committed to responsible and sustainable business operations.

Axiata Digital ("AD"), its digital services arm, captures the rapid growth in internet-based businesses through its portfolio of 24 digital brands, servicing growing demands in mobile money, mobile advertising, e-commerce, entertainment and education.

As a committed and long-term investor, Axiata provides employment to 25,000 people within its operations. In line with its sustainability goals, the Group actively supports and drives young talent development; disaster response and recovery; as well as green initiatives.

For more information, kindly visit www.axiata.com

About Innovation Network Corporation of Japan

INCJ was established in July 2009 as a public-private investment company that provides financial, technological and management support for next-generation businesses. INCJ specifically supports those projects that combine technologies and varied expertise across industries and materialize open innovation. INCJ has the capacity to invest up to JP¥ 2 trillion (approximately US\$20 billion).

INCJ's management team is drawn from the private sector with diverse experience in investment, technologies and management. Through its Innovation Network Committee, INCJ assesses investment opportunities that contribute to industrial innovation in Japan in line with criteria set by the government.

For more information, kindly visit <http://www.incj.co.jp/english/>

About Kumpulan Wang Persaraan (Diperbadankan)

Kumpulan Wang Persaraan (Diperbadankan) [KWAP] or the Retirement Fund (Incorporated) was established on 1st March 2007 under the Retirement Fund Act 2007 (Act 662) replacing the repealed Pensions Trust Fund Act 1991 (Act 454).

KWAP manages contributions from the federal government and relevant agencies to obtain optimum returns on its investments through sound management and investment of the Fund in equity, fixed income securities, money market instruments, and other forms of investments as permitted under the Retirement Fund Act 2007 (Act 662). The Fund shall be applied towards assisting the Federal Government in financing its pension duties.

Visit www.kwap.gov.my for more information.

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