



MEDIA RELEASE

LARGE TAXPAYERS OFFICE CONFIRMS NCELL FULLY CLEARED OF CGT WITH PAYMENT OF NPR13.6 BILLION

Kathmandu, 4 June 2017

As one of the largest tax payers in Nepal and responsible corporate citizen, Ncell Pvt. Ltd. ("Ncell" or "Company") confirms it has concluded its tax matters in relation to the indirect sale by the previous owner (the "Transaction"), TeliaSonera Norway Nepal Holdings AS ("Seller"), with the Large Tax Payer Office ("LTPO"), and has made a further advance deposit in the amount of approximately NPR13.6 billion to that effect, on behalf of its Seller, as directed by the agency.

Based on the total advance deposit placement by Ncell to date, the LTPO in its confirmation letter to Ncell today conclusively certified and acknowledged that Ncell has fully complied with the direction of depositing advance tax pursuant to Section 95A of the Income Tax Act, 2058 (2002), and the Company is now fully cleared in relation to the Transaction which attracted capital gains tax under the Income Tax Act, 2058 (2002).

Despite Ncell not being a party to the Transaction and neither Ncell having received nor made any payments in relation to the Transaction, the deposit and closure of this matter is part of its commitment to continue serving Nepal.

In keeping with its unblemished profile as a responsible corporate citizen committed to the welfare of the people and nation of Nepal, Ncell is pleased to have extended its fullest cooperation to the Government of Nepal in reaching a resolution and concluding all prevailing issues with respect to the matter.

Ncell Managing Director, Simon Perkins said, "Ncell has consistently complied with the laws of the country, and have on all occasions exercised the highest standards of governance and compliance pertaining to the fulfilment of its tax obligations.

"We thank the government of Nepal and the LTPO for their support in coming up with a resolution and concluding this matter with Ncell. With this conclusion, Ncell can now focus on proceeding with our investment and service expansion plans, in particular, with regards to 4G rollout which will leapfrog Nepal's digital economy, without any further obstacles."

Ncell expresses its commitment to continue to invest aggressively in Nepal's telecommunications infrastructure and ensure the delivery of high quality services to the people of Nepal. The company is further committed to continue to bring multiple benefits to the lives and livelihoods of its family of valued employees, dealers, distributors, business partners and above all its more than 15 million customers.

To date, Ncell remains one largest tax payer in Nepal with over NPR160 billion paid over the last 13 years (Fiscal year 2005/2005 to June 1 2017). Ncell contributes 3.2% to the GDP of Nepal, its capital and operational investment in 2016 alone amounts to USD258 million. Through its operations, directly and indirectly, Ncell supports close to 110,000 jobs in Nepal.

Ncell Private Limited

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15888/2057/2058

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Corporate and Contact Office

Lalitpur District, Lalitpur Sub-metropolitan City,
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About Ncell

Ncell Pvt. Ltd. has been working in Nepal since 2004 as the first private mobile operator in the country. We provide services of international quality with a local touch. Most of our employees are Nepali and our services are designed to meet the needs of the local society. We are constantly working towards our goals of connecting everyone in Nepal through our network, providing high quality, modern and cost effective services and creating value for our customers and partners.

Ncell is a part of Axiata Group Berhad. Together with Axiata, Ncell is committed to contribute to the development of the country's economy and infrastructure, building best-in-class networks and bringing people in the remotest areas of Nepal within the reach of communications.

Ncell has been serving more than 15 million Nepalese people.

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