

## MEDIA RELEASE

### Axiata Confirms Issuance of the Written Order by the Supreme Court of Nepal

**Kuala Lumpur, 10 April 2019:** Axiata Group Berhad ("**Axiata**") confirms today that the Supreme Court of Nepal ("**SC**") has issued its full written Order on 9 April 2019 in relation to its oral Order dated 6 February 2019 on a public interest litigation ("**PIL**") filed by a group of Nepali individuals (074-WO-0475). The public interest litigants sought various orders from the SC including that tax be collected from Ncell and Axiata Investments UK Limited ("**Axiata UK**") in relation to the indirect transfer to Axiata UK of an 80% stake in Ncell through the sale of Reynolds Holdings Limited ("**Reynolds**"), by the previous foreign investor, TeliaSonera Norway Nepal Holdings AS to Axiata UK (the "**Transaction**").

The Order states that the Large Taxpayers Office ("**LTPO**") should determine the outstanding tax amount to be paid in relation to the Transaction within three months from the date of receipt of the Order by the LTPO and that the responsibility to pay tax lies with Ncell and Axiata, the latter who is not a party to the PIL. The SC also indicated that distribution of dividends and any sale of Ncell shares by anyone should not be granted until the tax obligation is satisfied.

Axiata and Ncell are reviewing the decision of the Supreme Court. Pending review of the decision by the SC, at this time, Axiata reiterates that it and Ncell have dutifully and responsibly complied with all relevant regulatory and legal requirements in relation to the Transaction and acknowledge the Order without prejudice to their remedial rights.

Axiata and Ncell have made significant contributions to the socio-economic development of Nepal. Ncell directly and indirectly supports over 93,800 jobs and connects over 16.3 million customers across our networks. We remain committed as long-term investors in the country to further enhance digital connectivity and to improve the lives of all Nepalis.

We have an exemplary track record of contributing to the development of Nepal and hope that we can continue to build a sustainable business for Ncell for the benefit of the country. As the largest taxpayer, contributing NPR 125. 68 billion (USD 1.17 billion) in taxes since Fiscal Year FY 2014/2015, we believe that the Government of Nepal will be supportive of our commitment and use our investment as a demonstration of the willingness and openness of Nepal to attract further foreign investment.

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#### About Axiata

As one of the leading telecommunications groups in Asia in pursuit of its vision to be the New Generation Digital Champion by 2022, Axiata has transformed itself from a holding entity with a portfolio of pure-play mobile assets into a Triple Core Strategy driven business focusing on Digital Telco, Digital Businesses and Infrastructure.

Within ASEAN and South Asia, the Group has controlling stakes in market-leading mobile and fixed operators in the region including 'Celcom' in Malaysia, 'XL' in Indonesia, 'Dialog' in Sri Lanka, 'Robi' in Bangladesh, 'Smart' in Cambodia and 'Ncell' in Nepal. Axiata is actively spearheading efforts to transform its mobile-centric operations into digital converged companies.

Axiata's digital businesses are focused on three verticals namely Digital Financial Services ('Boost'), Digital Advertising ('ada') and Digital Platform ('APIgate') in the global market.

'edotco', the Group's infrastructure company, operates in six countries to deliver telecommunications infrastructure services, amassing approximately 27,500 towers. Presently the 12th largest independent tower companies globally, it aims to be one of the top regional telecommunications tower companies and is committed to responsible and sustainable business operations.

As a committed and long-term investor, and in line with its sustainability goals, the Group actively supports and drives young talent development; disaster response and recovery; as well as green initiatives. Axiata's broader goal of Advancing Asia aims to piece together the best in the region in terms of innovation, connectivity and talent.

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