



# Strategic Partnership to Develop Malaysia's Next-Gen Converged Communications Services

*March 27, 2014*

greenpacket<sup>®</sup>

# Forward Looking Statements

**This presentation and the following discussion may contain forward looking statements by Green Packet Berhad that reflect management's current expectation, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. These statements are subject to a number of risks and uncertainties that could cause actual results, performance or achievements to differ materially from those discussed in the forward looking statements. Such statements are not and should not be construed as a representation as to the future performance or achievements of Green Packet Berhad and Green Packet Berhad assumes no obligation to update any such statements.**

# Transaction Rationale

- 1 Develop a next-generation LTE network to offer customers a full-suite of converged communications services
- 2 Benefit from partnership among Telekom Malaysia, Green Packet and SK Telecom in which each party will contribute its expertise and resources
- 3 Gain from potential upside in a transformed P1
- 4 Strengthen the balance sheet of P1
- 5 Secure funding for the future growth of Green Packet
- 6 Reduce Green Packet's existing liabilities and obligations

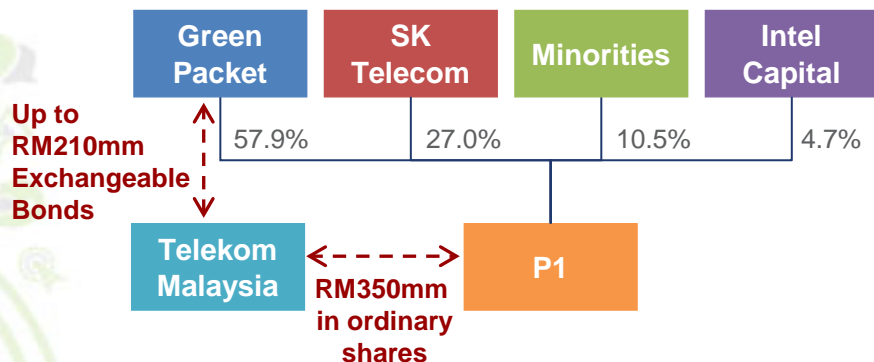
# Ideal Strategic Partnership



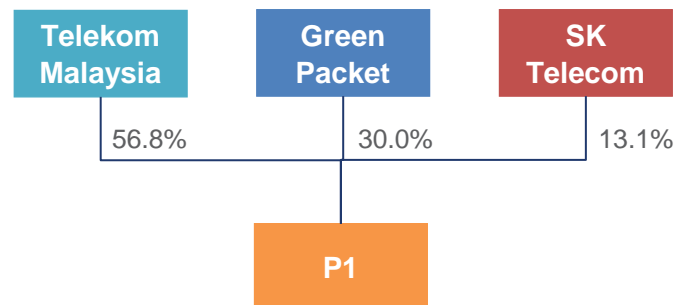
The transaction brings together three complementary partners who aim to deliver best-in-class converged communication services

# Transaction Overview

## Current shareholding structure<sup>1</sup>



## Pro-forma shareholding structure<sup>2</sup>



## Key transaction highlights

At completion

- Green Packet issues up to RM120mm of Exchangeable Bonds (“EB”) to Telekom Malaysia
- Telekom Malaysia subscribes to RM350mm of P1 ordinary shares
- Green Packet acquires Minorities’ 10.5% stake and settles with Intel Capital
- Class A, B and C iCPS as well as respective accrued interests are converted into common shares

Post completion

- Green Packet issues up to RM90mm of additional EB to Telekom Malaysia
- Up to RM1.65bn of P1 Convertible Bonds to fund LTE business

Note 1: Diluted shareholding including Class A, B and C iCPS

Note 2: Assumes pro-forma net debt of RM492mm; subject to adjustment at completion

# Key Transaction Terms

	Description	Timing	Key terms
1	<ul style="list-style-type: none"> <li>Issuance of up to RM210mm Exchangeable Bonds to Telekom Malaysia</li> </ul>	<ul style="list-style-type: none"> <li>Up to RM120mm at completion</li> <li>Remainder in subsequent tranches</li> </ul>	<ul style="list-style-type: none"> <li>8 years tenure, exchangeable from 5<sup>th</sup> anniversary of completion</li> <li>Exchange price at fair market value</li> <li>0% cash coupon</li> <li>Redemption price at 8% IRR</li> </ul>
2	<ul style="list-style-type: none"> <li>Issuance of RM350mm P1 ordinary shares to Telekom Malaysia</li> </ul>	<ul style="list-style-type: none"> <li>At completion</li> </ul>	<ul style="list-style-type: none"> <li>Proceeds will be used for general working capital, operational or capital expenditures and repayment of debt and payables</li> </ul>
3	<ul style="list-style-type: none"> <li>Issuance of up to RM1.65bn P1 Convertible Bonds</li> </ul>	<ul style="list-style-type: none"> <li>3 different tranches post completion</li> </ul>	<ul style="list-style-type: none"> <li>8 years maturity, convertible at the option of subscriber from 3<sup>rd</sup> anniversary of issuance</li> <li>1% cash coupon</li> <li>Redemption price at 4% IRR (only at maturity)</li> <li>Subscription rights will be 60% by Telekom Malaysia, 15% by Green Packet and 25% by SK Telecom</li> <li>Proceeds will be used to fund the roll-out of LTE network and other operational or capital expenditures</li> </ul>

# Future Prospect of Green Packet

## 1 Gain from potential upside in a transformed P1

- Enter LTE market with strong partners who will contribute unique and complementary strengths
- Attractive network assets including spectrum portfolio and access to Telekom Malaysia fiber
- RM1.65bn funding plan in place for rapid LTE network deployment
- Leverage on Telekom Malaysia's extensive market presence and large subscriber base

## 2 RM210mm investment into Green Packet

- Grow the existing software & devices and communications businesses of Green Packet
- Reduce Green Packet's existing liabilities and obligations

## 3 New collaboration opportunities with P1 on LTE

- Develop new devices and solutions that support the local LTE ecosystem across multiple spectrum bands

# Approvals Required & Indicative Timeline

## Approvals Required

---

- Green Packet shareholder approval; GPH and OSK have given an undertaking to vote in favor of the transaction
- Requisite MCMC approvals
- Securities Commission approval for Exchangeable Bonds and Convertible Bonds

## Indicative Timeline

---

27 Mar

- Signing of Agreements

2Q 2014

- Respective regulatory approvals
- Green Packet shareholder approval

3Q 2014

- Completion