

FINAL REPORT ON ALLOCATION OF SPECTRUM BANDS FOR MOBILE BROADBAND SERVICE IN MALAYSIA

- MCMC is taking an innovative and forward-looking approach on the allocation of spectrum bands and setting a critical foundation for the transition toward 5G
- The 700 MHz, 3.5 GHz and 26/28 GHz bands have been identified for the initial deployment of 5G in Malaysia
- The use of 2300 MHz and 2600 MHz bands will be maintained per existing allocation for maintenance of 4G, in parallel to the necessary preparation for migration toward 5G

CYBERJAYA, 1 January 2020 --- The Malaysian Communications and Multimedia Commission (MCMC) has released the Final Report on the allocation of spectrum bands for mobile broadband service in Malaysia.

The Final Report was issued following MCMC's commitment to make public its final position, as indicated in the Public Inquiry (PI) report on spectrum allocation matters, in relation to 700 MHz, 2300 MHz and 2600 MHz spectrum bands that was published on 29 September 2019.

The position taken in the Final Report reflects both MCMC's deliberation of the responses to the PI, and an assessment of current developments globally in relation to 5G deployment.

MCMC has identified the 700 MHz, 3.5 GHz and 26/28 GHz as the pioneer spectrum bands for the roll-out of 5G in Malaysia, in light of the rapid development of the global 5G ecosystem and deployment.

The 700 MHz and 3.5 GHz bands are being considered for allocation to a single entity comprising a consortium formed by multiple licensees, instead of individual licensees. MCMC will undertake a tender process for this purpose. This approach is intended to lower the capital expenditure ("CAPEX") by minimising costs and prevent the duplication of infrastructure, at a time where improvements in 4G networks are continuing.

As this is a new approach, MCMC will only make available 2x30 MHz of the 700 MHz band and 100 MHz of the 3.5 GHz band. The remaining frequencies of these bands will be considered for assignment at a later stage.

The assignment of the 26/28 GHz bands will be conducted in two methods. The 24.9 GHz to 26.5 GHz frequency bands will be assigned through a tender process (beauty contest) to licensees on a nationwide basis. The 26.5 GHz to 28.1 GHz frequency bands will be assigned on a first-come first-served basis and will be open to any party (including non-licensees) for the purpose of deploying localised and/or private networks.

The assignment for the above mentioned spectrum bands will be made by way of apparatus assignment (AA). MCMC anticipates that the appropriate spectrum fee through AA is more economical, and will encourage network deployment by the service provider. Cost savings can be passed on to businesses and consumers to ensure better value of affordable services.

Once the assignment processes are completed, MCMC expects commercial deployment of 5G in Malaysia to begin by the third quarter (Q3) of 2020. This is consistent with the deliberations in the National 5G Task Force that was established since November 2018 and comprised of 114 organisations from the private sector, ministries and agencies representing the demand and supply side of the ecosystem.

The existing allocation for deployment of current 4G technology will be maintained. This includes maintaining the existing allocation of the 2300 MHz and 2600 MHz

bands until December 2021. MCMC will undertake the necessary review of these bands in 2021.

For more information about the Final Report on the allocation of spectrum bands for mobile broadband service, visit:

https://www.mcmc.gov.my/en/spectrum/consultation/public-inquiry-on-allocation-of-spectrum-bands-for

About Malaysian Communications and Multimedia Commission (MCMC)

The Malaysian Communications and Multimedia Commission (MCMC) is a statutory body established under the Malaysian Communications and Multimedia Commission Act 1998 (MCMCA) which implements and promotes the Government's national policy objectives for the communications and multimedia sector. MCMC regulates and promotes the development of the communications and multimedia industry, which includes telecommunications, broadcasting, and online activities, postal services and digital certification. The Communication and Multimedia Act provides that MCMC undertake a policy implementation role, while policy decision-making is vested with the Minister. For more information, visit www.mcmc.gov.my or contact:

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