

Date: 30 August 2019

The Chairman
Malaysian Communications And Multimedia Commission
MCMC, Tower 1
Jalan Impact, Cyber 6
63000 Cyberjaya
Selangor Darul Ehsan

(Attn: Spectrum Planning Division)

Dear Sir / Madam,

RESPOND TO THE PUBLIC INQUIRY ON SPECTRUM FOR MOBILE BROADBAND SERVICE IN MALAYSIA

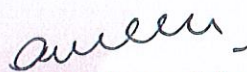
We are pleased to submit PNMB Payfo Sdn. Bhd. ("Payfo") response for the Public Inquiry on the spectrum for mobile broadband service in Malaysia.

We hope that we would be able to contribute to the development of the Digital Economy in Malaysia.

Attached herewith is the response from Payfo.

Thank you.

Yours faithfully,


Ezwan Mohamed Annuar
Chief Executive Officer
PNMB Payfo Sdn Bhd

RESPONSE TO THE PUBLIC INQUIRY ON ALLOCATION OF SPECTRUM BANDS FOR MOBILE BROADBAND SERVICE IN MALAYSIA

PNMB PAYFO SDN BHD

1. Background

- 1.1. PNMB Payfo Sdn. Bhd. ("Payfo") is a financial and digital technology company that delivers innovative products and solutions to both the business and direct users. We focus on revolutionizing the way businesses conduct their operations, acquire and retain their customers, through digital platform that is simple, agile and able to quickly re-innovate itself to adapt to business changes.
- 1.2. The verticals that we are involved in are electronic wallet, digital banking, payment platforms and remittance and money exchange. As we leverage on the adoption and advancement of telecommunications industry to enable our customers to enjoy our services, we wish to appreciate the effort that have been undertaken by the Malaysian Communications and Multimedia Commission ("MCMC") in enabling Malaysia's transition towards a digital nation.
- 1.3. It is important to us that the policies and plans on the development and the growth of the telecommunications industry are continuously been charted out to allow applications and services that are robust, creative, innovative and trusted to be provisioned and consumed by businesses and consumers.
- 1.4. As such, we wish to take this opportunity to voice our opinions on the allocations of spectrum for wireless broadband services as we hope that this will further improve the broadband network coverage, more affordable and attractive pricing plans, thus enable consumers to enjoy digital lifestyle convenience for shopping, banking, bill payments, etc.

2. Allocation of 700 MHz, 2300 MHz and 2600 MHz (Questions 1(i), 3(i) and 5(i))

- 2.1. Relating to the allocation of the 700 MHz, 2300 MHz and 2600 MHz spectrum, we are of the view that Malaysia need to adopt an open access wireless broadband network that allows multiple service providers to connect and deliver its wireless broadband service to customers.
- 2.2. The available spectrum is to be awarded to a single infrastructure that roll-out end-to-end infrastructure, including the radio network, that carry data traffic by any licensed wireless/broadband service providers.
- 2.3. MCMC has strong regulations on ensuring no anti-competitive conduct and controlling the conduct of a dominant/monopoly positioned service provider to support the above suggestion. For example, bottleneck services are required to

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be open and acquired by another vertical service providers (Mandatory Standard on Access).

- 2.4. The deployment of a national infrastructure will bring down capital costs over time due to better infrastructure utilization achieved through economies of scale. Otherwise, the duplication of infrastructure that currently being deployed by multiple service providers increases the cost which is then passed down to customers.
- 2.5. Service providers will not have to worry about taking on massive infrastructure costs and can focus its effort in coming up with innovative packages and solutions to their customers, which will be more affordable.
- 2.6. Availability of affordable mobile broadband would expedite the digital adoption among Malaysian, without discriminating the rural and B40 population which should have fair and equal access to digital services.
- 2.7. From our observation, the operators had been very selective on their rollout, prioritizing the areas that yield the most return, i.e. the urban areas hence neglecting the need for high speed mobile broadband connectivity in the rural and underserved areas.
- 2.8. As a company that deeply involved in Financial Technologies ("FinTech"), we hope that a single communication infrastructure provider will be allocated with the right spectrum that would enable equitable access to all Malaysian.

3. Payfo wish to not provide any responses on other questions but in principle is suggesting that the spectrum is to be awarded as soon as possible as the need for faster broadband speed and wider coverage are getting more crucial in achieving the Industrial Revolution 4.0 and improving the digital adoption in the country.