

TELECOM INTERNATIONAL MYANMAR

Company Limited.

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Letter No. / OO. Letter-TIM

Date: .9...January, 2023

Respectfully to:

Director General

Post and Telecommunications Department ("PTD")

Ministry of Transport and Communications

Subject:

Mytel's response to 2300 MHz Spectrum Allocation Process

References:

PTD letter Ref: 700-SaNya/Khwal (7) Resource/7789

Dear Mr. Director General,

On behalf of Telecom International Myanmar Company Limited ("Mytel" or "the Company"), I would like to extend the warmest greetings and deep gratitude for your kind office's support to our company.

Regarding the PTD's Letter Ref: PTD letter Ref: 700-SaNya/Khwal (7) Resource/7789 requesting operators' response to the 2300 MHz Spectrum Allocation Process, Mytel would like to have our comments as follows:

- Being a telecom operator in Myanmar, Mytel highly appreciates PTD's the management of radio spectrum to ensure the efficient use of radio spectrum including the updated Spectrum Roadmap: Facilitate the Sustainable Growth of Industry (2022-2026) and the 2300 MHz Spectrum Allocation Process with direct allocation method by fixed price which allows operators have more spectrum for 4G LTE capacity and/or 5G (NR) deployments to meet the demand of customers.
- However, referring to our previous letter, we were expressing that Mytel has been facing various challenges that limit our capacity to participate the allocation process at the moment, which are, (i) a thousands of our mobile base stations and other infrastructure have been destroyed and ruined by unknown groups in different provinces or states that causes both revenue decline and additional costs to repair the stations; (ii) the value of the Kyat against USD have dropped significantly and the divergence between the official reference exchange rate by the Central Bank of Myanmar (CBM) and rates available on the float market that cause Mytel's huge financial loss and USD shortage.
- Mytel was analyzing that the proposed pricing of 2300 MHz spectrum is higher compared to that in neighboring countries and ASEAN. At this moment, such cost for spectrum besides other capex for respective equipment to be invested would be over capacity of operators.

Therefore, we unfornately must inform PTD that Mytel could not be able to participate in the 2300MHz Spectrum Allocation process this time. However, in the future if PTD re-open for a new allocation process for 2300MHz Spectrum, Mytel will try our best to participate at best financial capacity and technical sufficiency.

Your Faithfully,

Nguyen Tien Dung

Chief Executive Officer