UNIVERSAL SERVICE PROVISION (USP) ANNUAL REPORT 2020



The National Fiberisation and **Connectivity Plan 5 (NFCP 5)**

The National Fiberisation and Connectivity Plan 5 or NFCP 5 project is to migrate existing Telekom Malaysia Berhad's (TM) Streamyx (copper) broadband subscribers to fibre-optic broadband access network(s) within the Universal Service Target (UST) areas nationwide. The NFCP 5 project was awarded to TM as a major contributor pursuant to Regulation 36A of the Communications and Multimedia (Universal Service Provision) Regulations 2002 (USP Regulations).

TM's proposal to upgrade its existing copper broadband network to a fibre-optic network for 377,360 subscribers was assessed, considered and approved by the Commission. Subsequently, TM was appointed as a designated universal service provider under Regulation 36F of the USP Regulations 2002 to undertake this project in underserved areas specified by the Commission under four notifications issued by it in 2002, 2004, 2008 and 2011, respectively (Notification Ref. No: NT/USP/2/02, Ref. No: NT/USP/1/04, Ref. No: NT/USP/08/01 and Ref. No: NT/USP/01/11).

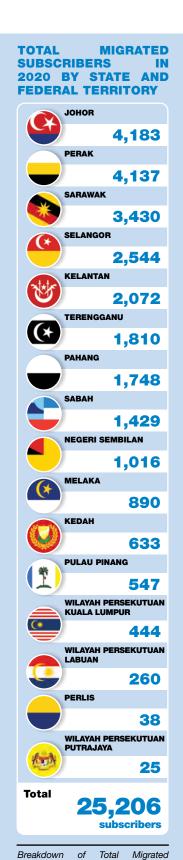
As a condition of this project, TM is also required to upgrade the remaining 556,364 Streamyx subscribers to fibre-optic broadband access network(s) using its own funds. Through this initiative 933,724 subscribers to be upgraded, out of which 377,360 subscribers will be upgraded via the USP Fund.

The project is scheduled to take 24 months to complete from of the project, which was March 2020. December 2020, TM has migrated 22,398 subscribers, while the incidence of churn has affected 2,808 subscribers.



ANNUAL REPORT 2020

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Subscribers in 2020 by State and

Federal Territory



Breakdown of Migrated Subscribers in 2020

| STATE/ FEDERAL TERRITORY | TOTAL NO. OF STREAMYX SUBSCRIBERS MIGRATED | NO. OF SUBSCRIBERS (CHURN) | NO. OF SUBSCRIBERS (REJECTED MIGRATION) | TOTAL NO. OF SUBSCRIBERS |
|-------------------------------------|---|----------------------------------|--|--------------------------|
| Johor | 3,740 | 416 | 27 | 4,183 |
| Perak | 3,861 | 262 | 14 | 4,137 |
| Sarawak | 3,255 | 157 | 18 | 3,430 |
| Selangor | 1,833 | 705 | 6 | 2,544 |
| Kelantan | 1,989 | 77 | 6 | 2,072 |
| Terengganu | 1,757 | 46 | 7 | 1,810 |
| Pahang | 1,597 | 146 | 5 | 1,748 |
| Sabah | 1,221 | 203 | 5 | 1,429 |
| Negeri Sembilan | 938 | 77 | 1 | 1,016 |
| Melaka | 724 | 162 | 4 | 890 |
| Kedah | 598 | 33 | 2 | 633 |
| Pulau Pinang | 476 | 68 | 3 | 547 |
| Wilayah Persekutuan Kuala Lumpur | 104 | 338 | 2 | 444 |
| Wilayah Persekutuan Labuan | 260 | 0 | 0 | 260 |
| Perlis | 38 | 0 | 0 | 38 |
| Wilayah Persekutuan Putrajaya | 7 | 16 | 2 | 25 |
| Grand Total | 22,398 | 2,706 | 102 | 25,206 |

Breakdown of Migrated Subscribers in 2020 by State and Federal Territory