

Key SSA milestone achieved, telcos set to take up equity stakes in DNB

By **Business Times** - June 20, 2024 @ 10:36pm



DNB said it will be able to complete the SSA agreements with the four telcos by the end of June.

KUALA LUMPUR: Four major mobile network operators are set to take up equity stakes in Digital Nasional Berhad (DNB) after conditions for share subscription agreements (SSA) were met.

The four telcos are CelcomDigi Bhd through Infranation Sdn Bhd, Maxis Broadband Sdn Bhd, U Mobile Sdn Bhd and YTL Communications Sdn Bhd through YTL Power International Bhd.

In a statement, DNB said it will be able to complete the SSA agreements with the four telcos by the end of June.

The fifth telco Telekom Malaysia Bhd (TM) has until Aug 21, 2024, to get shareholder approval to complete its SSA.

Under the terms of the SSAs, the five telcos are to collectively acquire a 70 per cent equity stake in DNB, with each telco holding a 14 per cent stake.

The Malaysian government, represented by Ministry of Finance Incorporated (MoF Inc), will retain a 30 per cent stake and a special share in DNB for a designated period.

"As the parties move towards the completion of the SSAs, DNB remains committed to driving technological innovation and expanding digital services across the country, fostering a more connected and digitally empowered Malaysia," it said.

Five telcos entered into SSAs with DNB and the MOF Inc on December 1 last year.

The SSAs were established to put into effect the government's policy on the transition from a single wholesale network model to a dual network model.

The equity injection is a prerequisite for a second 5G network.