

NATIONAL CONTRIBUTION



Smart has grown in strength and competitiveness to become a leading mobile telecommunications company in Cambodia, following the successful merger of Hello Axiata and Latelz in 2013.



CAMBODIA

Cambodia has one of the fastest growing economies in the world bolstered by a massive construction boom. Cambodia continues to represent significant potential and appeal for foreign investors, with GDP expanding by 7.0% in 2015.

Smart is the first and only mobile operator in Cambodia to provide true 4G services. 4G LTE powered by Smart, launched in January 2014, is now available in all 25 provinces. In 2015, the country's mobile penetration rate reached 167% with over 25 million mobile subscribers in total. Formerly a competitive space featuring a number of telco providers, the mobile industry in Cambodia has since consolidated into three major companies including Smart Axiata, which together account for the lion's share of subscribers.

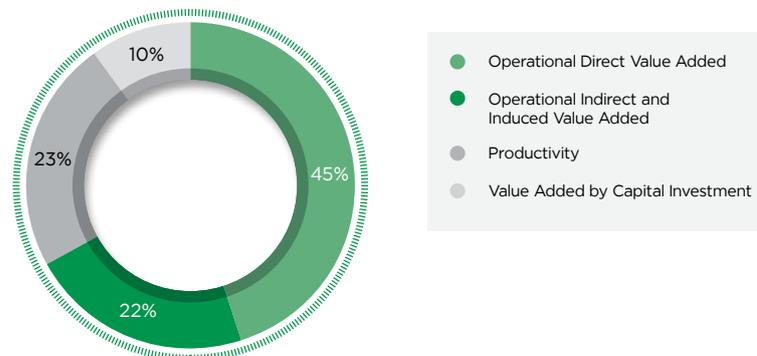
Smart continues to make significant advancements with the launch of many first-of-its-kind services in Cambodia such as Smart Loan, Smart Life Insurance and Smart Music, making Smart the mobile telecom provider of choice among Cambodia's youth population.

ECONOMIC CONTRIBUTION

Smart has a subscriber base of approximately 7.6 million and network coverage in 98% of Cambodia's populated areas. Total operating expenditure for 2015 totalled USD117 million, while Smart's capex spend came up to USD60 million. Approximately 35% of Smart's procurement activities in 2015 was done through local suppliers.

In 2015, Smart's operations contributed USD275 million to the country's economy, representing 1.5% of GDP.

Figure 5: GDP Contribution in Cambodia 2015



NATIONAL CONTRIBUTION

INVESTMENTS IN 2015

Capex + Opex
USD177 billion

Every **US\$1** spent on **Capex and Opex**

translated to

US\$1.4 GDP Contribution

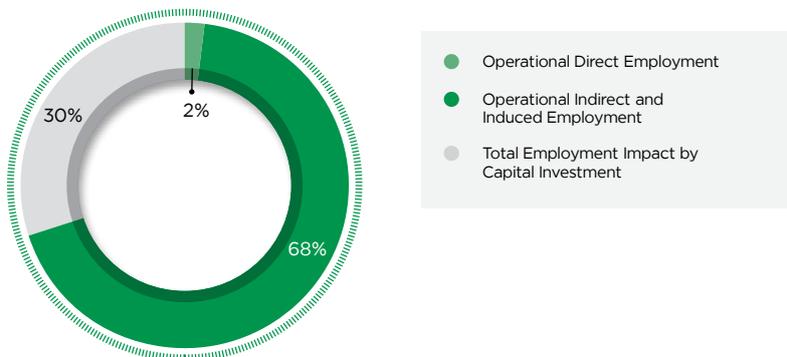
Contribution to GDP
1.5%
(USD275 million)

SOCIAL CONTRIBUTION

In 2015, Smart's operations in Cambodia supported the employment of more than 40,000 people through direct and indirect means. Out of this, 931 employees were directly employed by Smart.

Smart also supports the activities of key market segments including banks, micro finance and insurance institutions, manufacturing and hospitality.

Figure 6: Employment Impact in Cambodia 2015



OUR SUSTAINABILITY EFFORTS IN CAMBODIA

Smart produced its first Sustainability Report in 2015 which was the country's first ever sustainability report published. The report discusses Smart's efforts based on the 4P model that has been adopted throughout the Group. Smart's Sustainability Report can be accessed on its website at www.smart.com.kh



Procurement from Local Vendors

35%



IN 2015

40,912
Jobs Supported