



Headline	REDtone plans RM90m WiFi hotspots expansion		
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REDtone plans RM90m WiFi hotspots expansion

BETTER COVERAGE: Move will not affect company's capital expenditure, says MD

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REDTONE International Bhd plans to invest up to RM90 million over the next three years to expand its WiFi coverage to 20,000 hotspots, from under 4,500 currently.

"Our annual capital expenditure (capex) on telecommunications services like WiFi hotspots is about RM10 million to RM30 million. We expect the capex to remain at the same level moving forward, even though we are ramping up our WiFi hotspot coverage significantly.

"This is because most of the hotspots will also be co-financed by the mobile service providers," said managing director Datuk Wei Chuan Beng. He was speaking to the media after the signing of memorandum of understanding (MoU) between REDtone and MIMOS Bhd.

The MoU allows REDtone to become a MIMOS technology recipient with the rights for MIMOS' WiWi and Intelligence Surveillance Platform technologies for three years.

Wei said these technologies will play a key role in the company's plan to ramp up its WiFi hotspots and to monetise them. "These technologies

allow new services to be created such as Wireless IPTV, Video Surveillance Services, localised advertising and others."

Witnessing the signing ceremony was Second Finance Minister Datuk

Seri Ahmad Husni Hanadzlah.

Ahmad Husni said the government may need to review its economic growth forecast should problems in the eurozone prolong or worsen.

"Although economic growth of between four and five per cent is forecast for this year, it is strong given the global economic crisis."

He called on Malaysia to move up its innovation and creativity. "Research and development spending as a percentage of gross domestic product (GDP) is less than one per cent. However, in advanced countries, R&D constitutes around four to five per cent of GDP."



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MIMOS president and CEO **Datuk Abdul Wahab Abdullah** (left) exchanging documents with REDtone MD **Datuk Wei Chuan Beng**. They are witnessed by MIMOS chairman **Datuk Suriah Abdul Rahman** (second left) and Second Finance Minister **Datuk Seri Ahmad Husni Hanadzlah**. Pic by Sharul Hafiz Zam