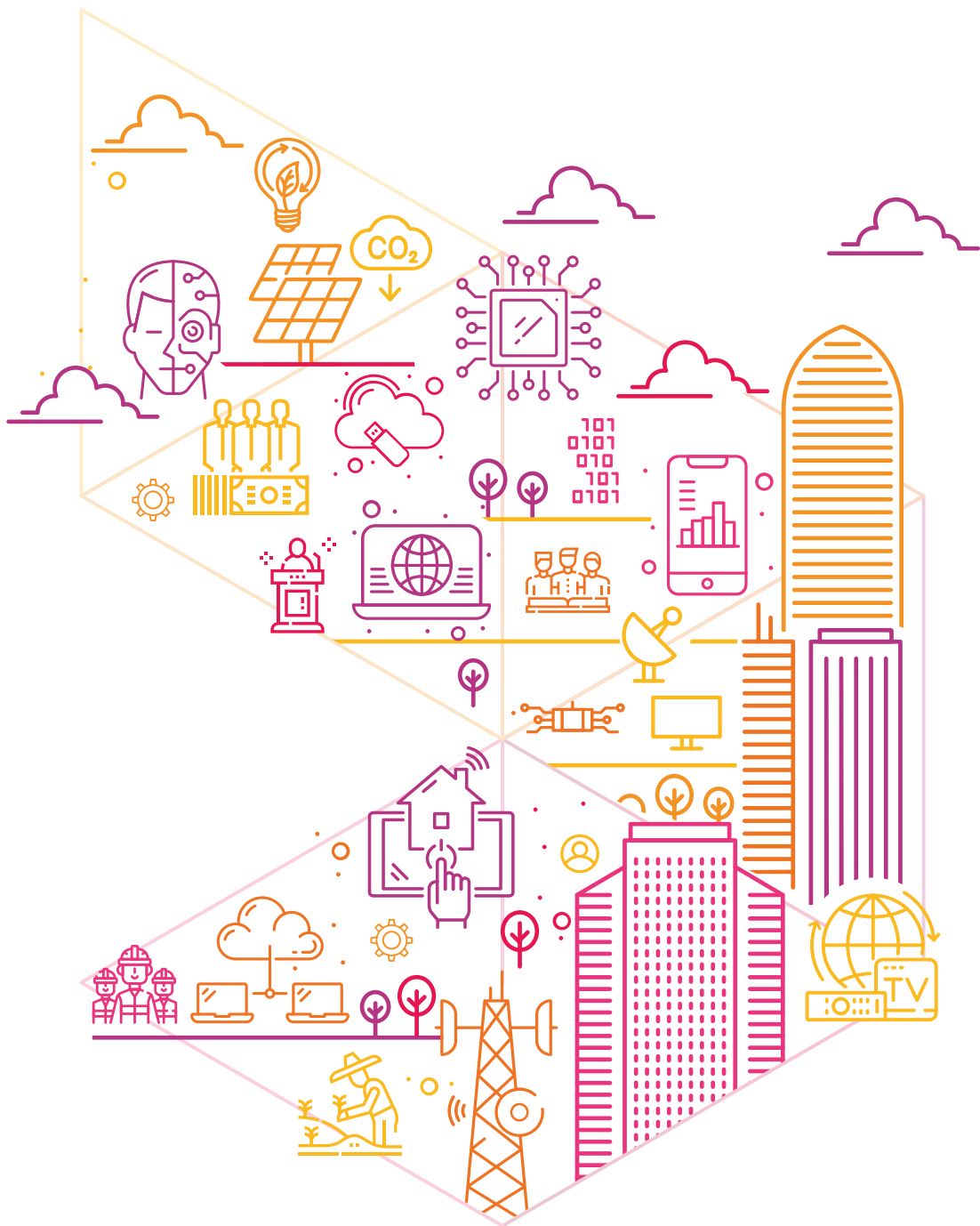
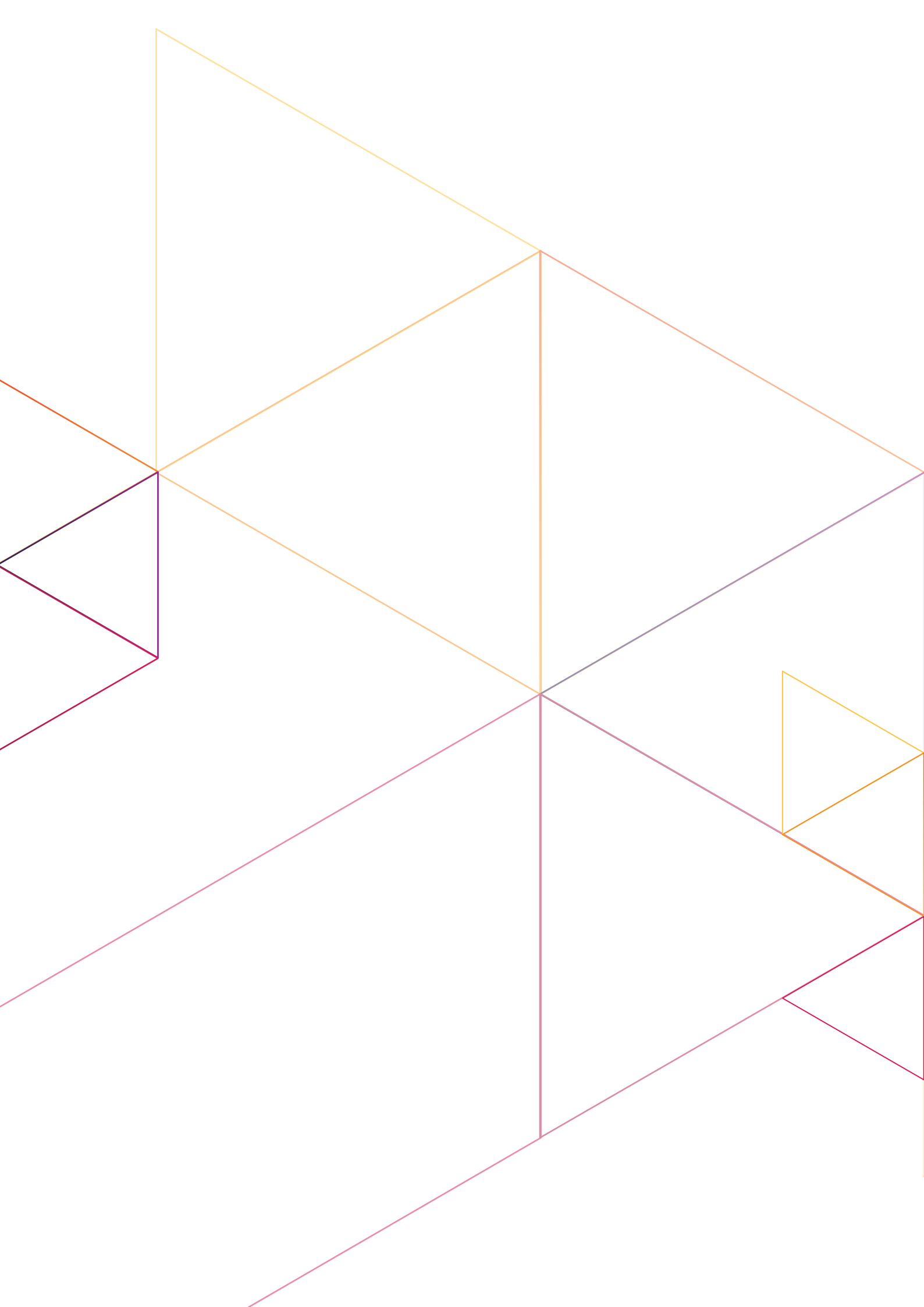
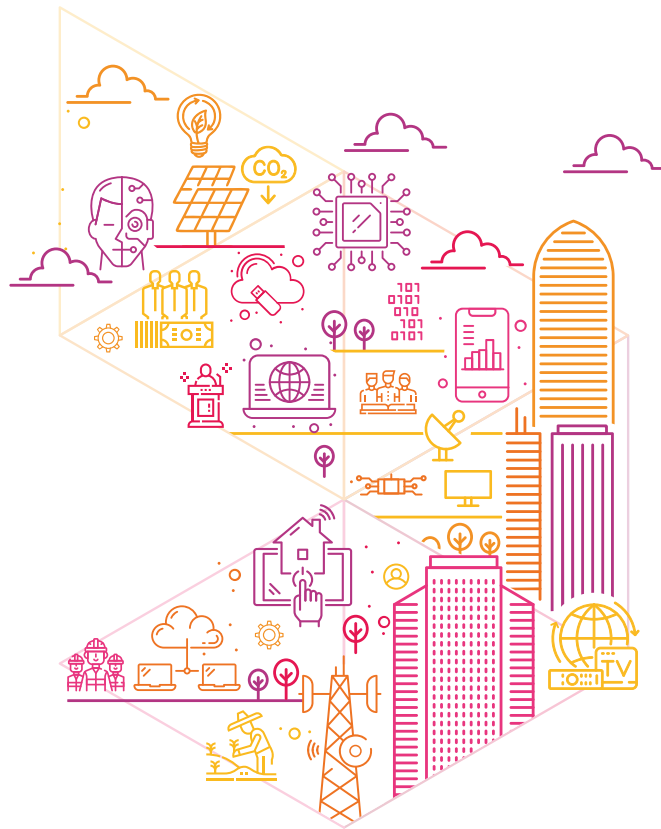


Catalysing New Possibilities

Dialog Axiata PLC | Annual Report 2025







Catalysing New Possibilities

Catalysing New Possibilities reflects Dialog Axiata PLC's role as an enabler of progress, creating the conditions for individuals, homes and enterprises to reimagine how they learn, work, connect and grow. Through wide-reaching connectivity, advanced digital platforms and inclusive solutions, Dialog accelerates innovation and empowers stakeholders to move beyond existing boundaries towards new possibilities.

The theme emphasises outcomes rather than technology alone, highlighting how the purposeful application of connectivity, 5G, AI and digital capabilities unlocks productivity, inclusion and shared value. As Sri Lanka's digital ecosystem evolves, Dialog continues to catalyse meaningful and sustainable progress, strengthening lives, enterprises and the nation as a whole, shaping 'The Future.Today.'

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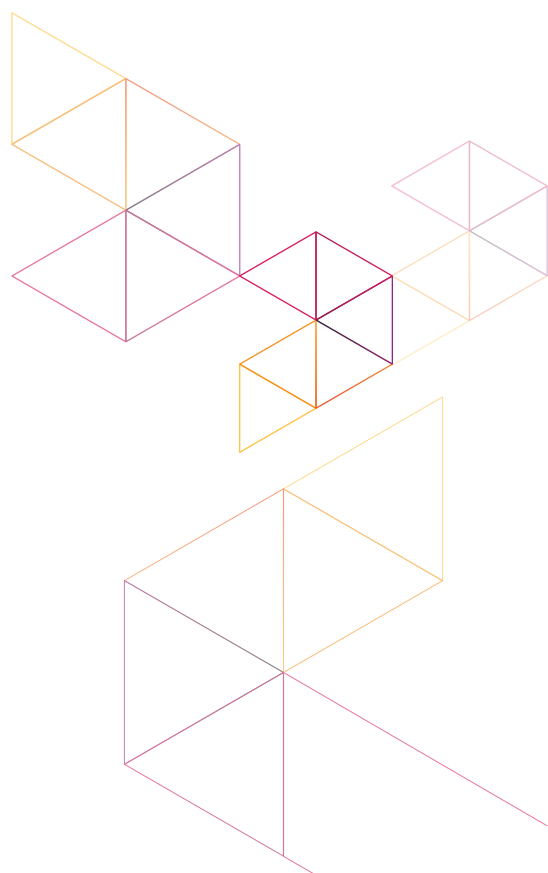
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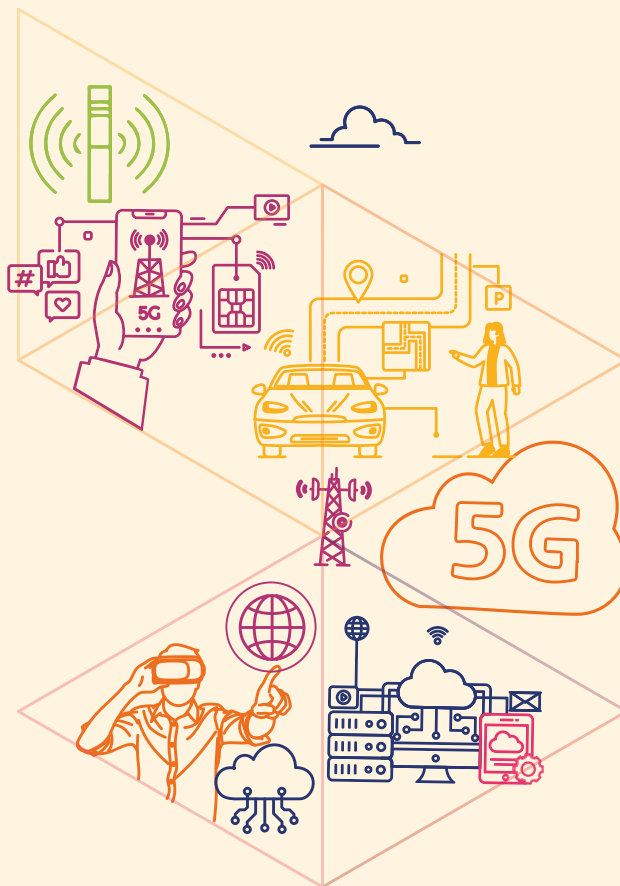
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Catalysing Digital Transformation with 5G

In 2025, Dialog continued to lead Sri Lanka's transition to next-generation connectivity, having been the first to commercially launch 5G in the country. Since its initial rollout with 220 sites, the network has expanded rapidly to over 1,000 live sites, serving more than 1.5 million subscribers and cementing its position as Sri Lanka's widest and fastest-growing 5G network.

By catalysing new possibilities through high-speed, low-latency connectivity, Dialog is enabling innovation, enterprise growth and broader digital inclusion. As we continue to strengthen secure and future-ready infrastructure, we remain committed to shaping a more connected, inclusive and digitally empowered Sri Lanka.



Overview

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About This Report

GRI 1 2-2,2-3, 2-4, 2-5

Welcome to the second Integrated Annual Report of Dialog Axiata PLC, which presents a consolidated overview of the Group's performance for the financial year ended 31 December 2025. It provides a balanced view of the Group's financial, environmental, social and governance performance in a concise, comprehensive and transparent manner. Building on our first Integrated Annual Report for the financial year 2024, this report reflects our continued focus on enhancing the quality and transparency of our reporting.

Frameworks

The following frameworks were used in preparing this report.

Financial Reporting

- ▶ Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995
- ▶ Companies Act No. 7 of 2007
- ▶ Sri Lanka Financial Reporting Standards
- ▶ Guidelines for the presentation of Annual Reports issued by the Institute of Chartered Accountants of Sri Lanka

Governance

- ▶ Listing Rules of Colombo Stock Exchange (CSE)

Sustainability Reporting

- ▶ SLFRS S1 and S2
- ▶ UN Sustainable Development Goals
- ▶ <IR> Framework issued by the International Integrated Reporting Council
- ▶ Global Reporting Initiative (GRI) Standards (2021)
- ▶ United Nations Global Compact (UNGC)
- ▶ Sustainability Accounting Standards Board (SASB) Standards – Telecommunication Services and Consumer Finance
- ▶ Global System for Mobile Communications Association (GSMA) ESG Metrics for Mobile (June 2024)
- ▶ Task Force on Climate-related Financial Disclosures (TCFD)



Evolution of our report in 2025

- ▶ Improved materiality assessment process
- ▶ Expansion of SLFRS S1 and S2 implementation, particularly in reporting Climate-Related Risks and Opportunities (CRROs) and Sustainability-Related Risks and Opportunities (SRROs)
- ▶ Expanded scope in GRI Reporting

Reporting Principles

- ▶ Impacts
- ▶ Materiality
- ▶ Strategic focus and future orientation
- ▶ Connectivity of information
- ▶ Stakeholder relationships
- ▶ Conciseness
- ▶ Reliability and completeness

Scope and Boundary

This report covers the financial and non-financial performance of Dialog Axiata PLC and its subsidiaries and equity-accounted investees in Sri Lanka, collectively referred to as the Group.

Financial and non-financial reporting boundaries are aligned with the Group's operating environment and key stakeholders. The report outlines how we create, preserve and deliver value through our business activities.



Reporting Process

The Corporate Communications team leads the initiative to prepare the Annual Report and obtains written inputs from relevant departments and subsidiaries.

- The Sustainability Department leads the process to identify material matters, involving key departments that engage with stakeholders and operational departments. The material matters determined as set out on pages 48-50 are approved by the Board.
- Departments and subsidiaries provide written responses to comprehensive questionnaires and contribute to relevant sections of the report, including information on various capitals.
- Sections intended for publication are reviewed and approved by the respective Heads of Department.
- Reports from Board Committees are approved and signed by their respective Chairs.

This structured process supports the integrity, accuracy and completeness of the information presented in this report.

Restatements and Comparability of Information

The financial statements for the previous year have been restated for Property, Plant and Equipment and Intangible Assets which are set out in Note 36 to the financial statements on page 278. There were no restatements of non-financial information during the year.

Assurance

We adopt a combined assurance model to ensure the integrity of the information provided in this report. External assurance on the Company's financial statements has been provided by Deloitte Partners, Sri Lanka (refer to pages 199-203 for the Assurance Statement on Financial Information).

Non-financial information has been independently assured by Deloitte Partners, Sri Lanka, to a limited level of assurance as defined by the SLSAE 3000 (revised) Assurance Standard (refer to pages 311 and 312 for the Assurance Statement on Non-Financial Information). Deloitte Partners, Sri Lanka has given assurance for the <IR> Framework, GRI Standards, GSMA, SASB, and SLFRS S1 and S2.

The Capitals



Stakeholders



Strategy



About This Report

Forward-Looking Statements

This report includes forward-looking statements based on external and internal information available at present to facilitate assessment of the Group's prospects. These statements are associated with a high level of uncertainty due to volatility in the global and local economic environment. The outcomes and impacts of some of these statements relate to future events that are beyond our control and may have a significant impact in the Group's ability to create value. Readers are advised to make their own judgements using the latest information available at the time of assessment due to the elevated levels of uncertainty associated with such statements. All forward-looking statements are provided without recourse or any liability whatsoever to the Board or other preparers of the report due to the reasons enumerated above.

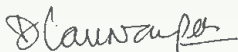
Statement by the Board

The Management of Dialog Axiata PLC has prepared, reviewed and approved the Annual Report for the year ended 31 December 2025 to ensure that it presents a balanced review of the Group's performance during this period.

The Board acknowledges its responsibility to ensure that the report provides a balanced view of its performance addressing all material issues that may have an impact on the Group's capacity to create value over the short, medium and long-term. The acknowledgment of the Board's responsibility for the Annual Report and its content are given in the Annual Report of the Board of Directors on pages 194-197.

The report was approved by the Board of Directors on 14 May 2026.

Signed on behalf of the Board



Mr. David Nai Pek Lau
Chairman / Non-Independent,
Non-Executive Director



Mr. Supun Weerasinghe
Group Chief Executive /
Non-Independent, Executive Director

Feedback and Enquiries

We are committed to consistently improving the quality and readability of our Annual Report and welcome your suggestions and comments for improvement.

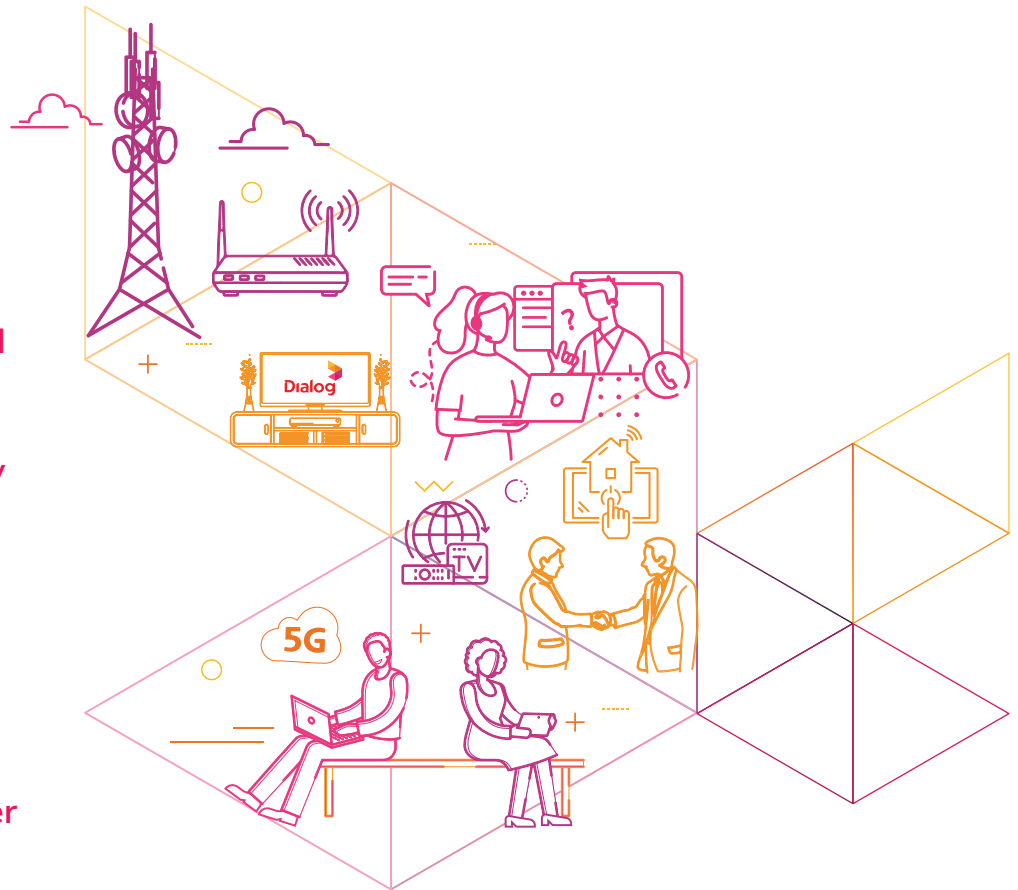
Please direct your feedback to,
Dialog Axiata PLC,
475, Union Place,
Colombo 2, Sri Lanka.
Direct: +94 77 333 9599
Email: ir@dialog.lk



Scan the QR code to directly access the Dialog Annual Report 2025 online

About Us

Dialog Axiata Group (Dialog), a subsidiary of Axiata Group Berhad (Axiata), operates Sri Lanka's leading Quad-Play Connectivity Provider. Dialog Axiata PLC, listed on the Colombo Stock Exchange, is among the top five companies on the Exchange by market capitalisation and is the market leader across Mobile, Digital Pay Television, Fixed Telecommunications and International Services, along with a robust footprint in Digital Services, Financial Services, and IT Services. As Sri Lanka's largest Foreign Direct Investor, Dialog has invested over USD 3.45 billion in building the nation's digital infrastructure and connectivity ecosystem.



Serving a subscriber base of over 20 million Sri Lankans, Dialog delivers advanced mobile telephony and high-speed broadband services, enabling inclusive digital access. As the leader in Pay Television and Home Broadband, the Company provides world-class entertainment and superior fixed connectivity to households islandwide. Through continuous investment in next-generation technologies, including the launch of 5G and AI-driven innovations, Dialog is committed to making the latest technology accessible and affordable to all Sri Lankans, empowering individuals, enterprises and communities alike.

The Company's international presence includes roaming partnerships with over 650 operators across more than 200 global destinations, alongside strategic investments in multiple subsea cable systems across Asia, strengthening Sri Lanka's position in the global digital economy.

A recipient of six Global Mobile Awards, Dialog continues to receive recognition from both consumers and industry. The Company was named 'Telecommunication Brand of the Year'

for the 14th consecutive year and 'Service Brand of the Year' for the 4th time at the SLIM-KANTAR People's Awards in 2025 and was also recognised as the 'Most Loved Service Brand' and the 'Most Loved Telecommunication Brand' in Sri Lanka for 2025 by LMD. Dialog was further named among Sri Lanka's Top 10 Employers at the EFC National Best Employer Awards 2025. Having been ranked Sri Lanka's most valuable brand from 2019 to 2023 by Brand Finance UK, the Company has since garnered numerous local and international accolades, including the National Quality Award, the Sri Lanka Business Excellence Award and the ACCA Sustainability Award.

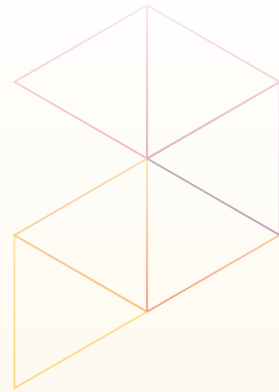
Dialog is certified to ISO 9001:2015 (Quality Management Systems), ISO 27001:2022 (Information Security Management Systems), and ISO 14001:2015 (Environmental Management Systems). The Company was also the first telecommunications service provider in Sri Lanka to achieve ISO 27701:2019 certification for Privacy Information Management Systems, reinforcing its commitment to governance and operational excellence.

About Us



Our Vision

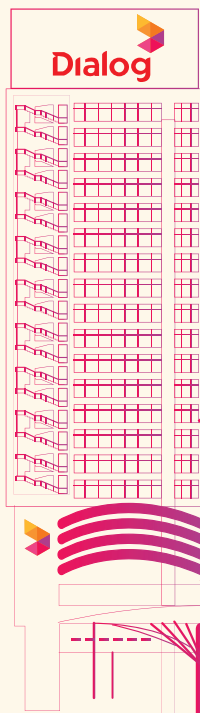
To be the undisputed leader in the provision of multi-sensory connectivity resulting always, in the empowerment and enrichment of Sri Lankan lives and enterprises.



Our Mission

To lead in the provision of technology enabled connectivity touching multiple human senses and faculties, through committed adherence to customer-driven, ethical, responsive and flexible business processes, and through the delivery of quality service and leading edge technology unparalleled by any other, spurred by an empowered set of dedicated individuals who are driven by an irrepressible desire to work as one towards a common goal in the truest sense of team spirit.

Our Values



Service from the Heart



Create the Future



Champions of Change



Exceptional Performance



Uncompromising Integrity



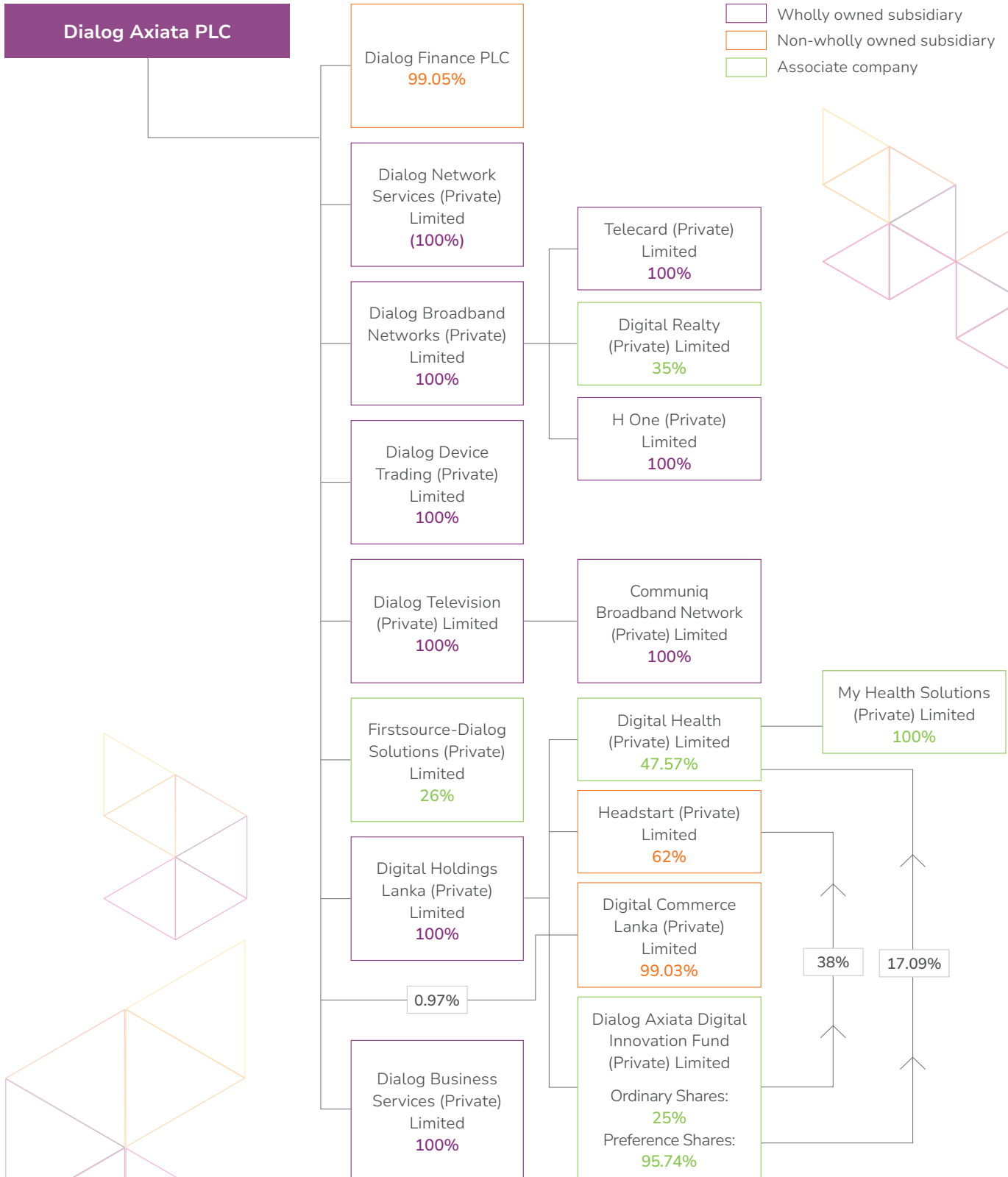
Responsible Leadership



One Team

Corporate Structure

Dialog Group Structure as at 31 December 2025



Awards and Recognition

SLIM-KANTAR People's Awards 2025

- Service Brand of the Year for the 4th time
- Telecommunication Brand of the Year for the 14th consecutive year



LMD Awards Night 2025

- Recognition as one of the nation's leading corporate brands in 2025



LMD Brands Annual 2025

- Most Loved Service Brand in Sri Lanka
- Most Loved Telecommunication Brand in Sri Lanka

DEI Champions Awards 2025 by the Ceylon Chamber of Commerce

- National Award for 'Best DEI Initiative'

ACCA Sustainability Reporting Awards 2024

- Non-Financial Services Category: Winner

Great HR Awards 2025 by the Chartered Institute of Personnel Management (CIPM) Sri Lanka

- Large Business Category: Overall Winner (Dialog Business Services)
- Telecommunication, ICT and BPM Services: Sector Winner (Dialog Business Services)
- Excellence Award for Best Reward Management: Winner (Dialog Axiata PLC)



Customer Centricity World Series Awards (CCWS) 2025

- Best Measurement in Customer Experience: World Series Winner and APAC Regional Winner
- Best Customer Experience Strategy: APAC Regional Winner
- Customer Insight and Feedback – VoC: APAC Regional Winner

National Best Employer Awards 2025 by the Employers' Federation of Ceylon (EFC)

- Recognised among the Top 10 Employers

Our Socioeconomic Impact

Dialog plays a significant role in advancing Sri Lanka's socioeconomic progress as the country's #1 connectivity provider, delivering impact at individual, institutional, and national levels. With a market share of 64%, Dialog contributes to Sri Lanka's mobile penetration of 126.7%*, enabling widespread access to digital connectivity across the island.

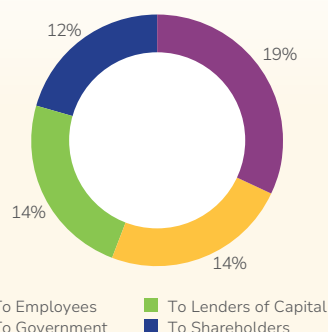
Beyond connectivity, Dialog's digital ecosystem supports inclusive access to information, services, and opportunities, strengthening economic participation and productivity. As a provider of critical digital infrastructure, Dialog enables public and private institutions to deliver essential services, drive innovation, and connect to global networks, contributing to national development and digital inclusion.

Direct Economic Value Generated and Distributed (Group)

(all amounts are in Sri Lanka Rupees thousands)

	FY2025	FY2024	FY2023
(a) Revenue from financial investments and sales of assets	181,243,797	172,895,647	184,369,159
(b) Operating costs (Payments to suppliers, non-strategic investments, royalties, and facilitation payments)	103,812,348	86,645,656	103,502,216
(c) Economic value distributed (Group)	150,215,796	130,607,220	139,182,529
(d) Employee wages and benefits (Total monetary outflows for employees: current payments, not future commitments)	14,896,123	13,030,467	13,054,076
(e) Payments to providers of capital (All financial payments made to the providers of the organisation's capital)	20,398,779	10,949,411	9,995,038
(f) Payments to Government (Gross taxes)	10,662,412	8,862,032	6,500,100
(g) Community investments (Voluntary contributions and investment of funds in the broader community, include donations)	446,134	33,908	89,916
(h) Economic value retained (Calculated as economic value generated less economic value distributed) – Investments, equity release, etc.	31,028,001	42,322,335	51,227,812

Distribution of Value Added



Foreign Direct Investment (FDI)

Dialog is Sri Lanka's largest Foreign Direct Investor, with investments totalling USD 3.45 Bn



Market Capitalisation

Dialog had a market capitalisation of Rs. 274.2 Bn as at 31 December 2025 which amounted to 3.4% of the market capitalisation of the Colombo Stock Exchange (CSE)



Taxes Paid to Government of Sri Lanka

Dialog paid direct taxes amounting to Rs. 11.1 Bn and indirect taxes amounting to Rs. 43.6 Bn during 2025

*Source: Telecom Statistics of Sri Lanka - Q4 2025, Telecommunications Regulatory Commission of Sri Lanka

A Growing Subscriber Base

Dialog recorded 2.5% growth in its total subscriber base which reached 22.3 million subscribers as at 31 December 2025 reflecting the strength and relevance of our customer value proposition.



4,620,235

Wireless Subscribers

2024: 5,305,741 ▼ 13%

SASB 3 TC-TL-000.A

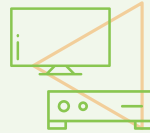


156,794

Broadband Subscribers

2024: 183,551 ▼ 15%

SASB 2 TC-TL-000.B



212,171

Dialog TV Subscribers

2024: 191,793 ▲ 11%

SASB 1 TC-TL-000.C

Note: Figures represent subscriber gross additions for the year

Network Traffic

Dialog recorded 18% growth in network traffic across wireless, wireline and broadband, reflecting rising demand for digital connectivity and services in an increasingly connected world. Growth in digital adoption, economic activity and increasing reliance on connectivity services supported strong demand.

2,362,052,844

Traffic Volumes (Petabytes)

2024: 2,006,329,048 ▲ 18%

SASB 4 TCL-TD.000.D



Supporting Livelihoods with the Government

Contributing to national development through partnerships across government institutions and private sector partners, Dialog enables inclusive digital solutions that support livelihoods and improve access to essential services.



> 1.1 Mn

Farmers

Reached through Govi Mithuru, the agricultural advisory service serving approximately 50% of Sri Lanka's farming community



> 160,000

Fishermen

Reached through Sayuru, providing vital weather and emergency information to approximately 75% of Sri Lanka's fishing community



Effective Distribution of Subsidies via Digital Application

Shishyadara is a national-level digital platform developed to enable the seamless and secure disbursement of educational subsidies to underprivileged students across the country. It is part of the Social Safety Net Subsidy Programme introduced by the Government of Sri Lanka and seeks to ensure that economically underprivileged students have access to essential school supplies.

In Phase I of the project, an application was developed by Dialog and MillenniumIT ESP, digitalising a process that was manual, ensuring accessibility, transparency and efficiency. Eligible students are able to seamlessly claim their allocated subsidies via QR codes at registered merchants, eliminating paperwork, minimising errors, and ensuring timely support. The project was done in partnership with the Ministry of Education, Ministry of Finance, Planning and Economic Development, and MillenniumIT Esp.

> 450,000

Schoolchildren

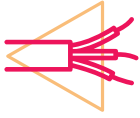


Launch of Dialog 5G Ultra

Dialog launched Dialog 5G Ultra, making it the first operator in Sri Lanka to commercially enable 5G with over 220 sites and more than 1.5 million subscribers. The network has since expanded to over 1,000 live sites across all 25 districts. The Company secured 100 MHz in the 3500 MHz band and 200 MHz in the 27 GHz band at the spectrum auction conducted by the Telecommunications Regulatory Commission of Sri Lanka (TRCSL), supporting both wide-area coverage and high-speed enterprise solutions. Dialog plans to invest USD 100 million over two years to expand 5G nationwide. It also leads in 5G roaming with partnerships in 76 countries and offers a variety of 5G devices and data plans. Dialog's ongoing innovation strengthens Sri Lanka's digital infrastructure, aiming to provide advanced connectivity for individuals, businesses, and visitors.



Our Socioeconomic Impact



Launch of India Asia Xpress (IAX) Submarine Cable System

Dialog launched the India Asia Xpress (IAX) submarine cable system to strengthen the country's international network. With this, Dialog's investment in global connectivity infrastructure exceeds USD 100 million, achieved through partnerships with regional telcos and global hyperscalers led by Reliance Jio.

The IAX cable delivers high-speed, high-capacity bandwidth to support 5G, AI, and data-intensive applications, connecting Sri Lanka efficiently with content hubs in Mumbai, Chennai, and Singapore. This integration further establishes Sri Lanka as a regional digital leader.

The IAX cable enhances Sri Lanka's digital infrastructure by adding resilience and complementing existing systems like Bay of Bengal Gateway (BBG) and Maldives Sri Lanka Cable (MSC). Advanced landing stations in Matara and Mount Lavinia provide reliable, secure connectivity for businesses and consumers.



Rebuilding after Cyclone Ditwah

Dialog worked closely with the Telecommunications Regulatory Commission of Sri Lanka (TRCSL), Tri-Forces, Police, and the Disaster Management Centre to support emergency operations, while also providing extensive relief to affected communities, delivering 4.5 million GB of free data quota, 1.4 billion of free voice minutes and 1.4 billion of free SMS, 10 million GB of emergency home broadband data, and complimentary access to 39 TV channels to keep the country informed and connected. Dialog also facilitated national early-warning communications by issuing over 4 million emergency alerts and supported humanitarian efforts that reached more than 400,000 affected families.

Dialog has pledged Rs. 420 million to support the Government's Rebuilding Sri Lanka initiative following Cyclone Ditwah. The funding will aid recovery efforts in healthcare and education, including the restoration of key hospital infrastructure in partnership with the Ministry of Health. In education, Dialog will work with the Ministry of Education to refurbish computer labs and restore ICT infrastructure and connectivity across more than 20 cyclone-affected schools.



Trilingual AI Platform for Sri Lankans

Dialog launched Dialog AI, Sri Lanka's first trilingual generative AI platform, available in Sinhala, Tamil, and English. Free for Dialog customers, it supports learning, business, and daily tasks by responding in users' preferred language, including informal styles like Singlish and Tanglish. Dialog AI helps students, teachers, farmers, entrepreneurs, and those in tourism with tools like summarising notes, generating lesson plans, offering crop advice, or planning itineraries. Prioritising accuracy, ease of use, personalisation, and data privacy, Dialog AI sets a new standard for local AI solutions, advancing digital inclusion and making AI accessible for all Sri Lankans.

Financial Highlights



Financial Capital

		2025	2024	2023
Financial Performance				
Revenue	Rs. Million	179,641	171,170	181,722
Gross profit	Rs. Million	95,878	72,695	65,759
Operating profit	Rs. Million	38,608	20,779	20,874
Pre-tax profit	Rs. Million	26,670	16,140	22,945
Taxation	Rs. Million	5,910	3,705	2,832
Profit for the year	Rs. Million	20,759	12,435	20,113
GP margin	%	53.4	42.5	36.2
OP margin	%	21.5	12.1	11.5
Net profit margin	%	11.6	7.3	11.1
Return on equity	%	23.1	15.9	30.3
Return on assets	%	7.5	4.0	7.0
Return on capital	%	21.2	13.7	19.0
Financial Position				
Total assets	Rs. Million	275,475	309,147	286,247
Non-current assets	Rs. Million	208,865	222,256	192,594
Current assets	Rs. Million	66,611	86,892	93,653
Shareholders' funds	Rs. Million	90,130	78,354	66,381
Borrowings	Rs. Million	76,486	107,694	122,765
Debt to equity ratio	Times	0.85	1.38	1.85
Equity to assets ratio	Times	0.33	0.25	0.23
Interest cover	Times	4.06	2.53	2.53
Current ratio	Times	0.47	0.51	0.71
Investor Information				
Earnings per share	Rs.	2.26	1.43	2.44
Dividend per share	Rs.	1.50	1.00	1.34
Net asset value per share	Rs.	9.78	8.51	8.04
Market Value Per Share				
Highest value	Rs.	32.5	12.1	12.2
Lowest value	Rs.	11.4	8.6	8.5
Closing value	Rs.	29.8	11.7	9.0
Market capitalisation	Rs. Million	274,169.98	107,643.90	74,228.80
Dividend pay out ratio	%	66	74	55
Dividend yield	%	5.0	8.5	14.9
Price earnings ratio	Times	13.2	8.2	3.7
Return on capital employed	%	19.8	14.9	13.5

Non-Financial Highlights



Manufactured Capital

		2025	2024	2023
Property, plant and equipment	Rs. Million	141,688	157,185 (restated)	151,278



Human Capital

Total employees	No.	2,865	1,552	1,752
Employee retention rate	%	86	74	47
Female representation	%	29.49	24.18	24.09
New recruits (inclusive of active and inactive)	No.	385	158	358
Investment in training	Rs. Million	50	60	34
Average training hours/employee	Hours	38	22.33	21.9
Workplace injuries	No.	15	0	1

*2023 and 2024 employee counts pertain to full-time employees (FTEs) of Dialog Axiata PLC (DAP), Dialog Broadband Networks (DBN) and Dialog Television (DTV), and exclude other subsidiaries.

**2025 employee counts represent FTEs across the entire Group, including all subsidiaries. On a comparable Group-wide basis, the total FTE count was 3,138 in 2024 and 3,273 in 2023.



Social and Relationship Capital

Total customer base	Million	22.3	21.8	19.6
Payments to suppliers	Rs. Million	145,117	142,649	143,755
Proportional spending to local suppliers	%	84	87	86
Community investment	Rs. Million	446	100	127



Intellectual Capital

Average length of employee service	Years	8	10	9
------------------------------------	-------	----------	----	---



Natural Capital

Energy consumption	GJ	894,269.30	810,069.41	739,129.85
Energy intensity	GJ per GB	0.0003786	0.000404	0.000532
Water consumption	M ³	46,400.00	44,786.82	79,699.79
Solid waste generation	Tonnes	718.68	658.47	2,028.61
Carbon footprint	MTCO ₂ e	132,195.41	128,682.72	139,526.11

Catalysing an Intelligent Future with AI

In 2025, Dialog introduced Dialog AI to Sri Lanka, the country's first trilingual generative AI platform, designed to reflect local context while harnessing the power of artificial intelligence. Built to serve individuals and businesses alike, the platform enables smarter decisions, enhanced productivity and more intuitive digital experiences.

From education and entrepreneurship to enterprise and everyday life, Dialog AI is catalysing meaningful impact across the nation. By combining accessibility, personalisation and ease of use, it empowers Sri Lankans to unlock new possibilities and engage with technology in more relevant and transformative ways.



Leadership

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Chairman's Message



“
In 2025, Dialog delivered strong strategic progress while navigating a complex and evolving operating landscape, reinforcing our commitment to building a more connected, inclusive and future-ready Sri Lanka.
”

Dear Shareholders,

2025 marked a defining phase in Dialog's journey, reflecting both the progress achieved and the complexities navigated over the course of the year. Dialog remained focused on strengthening its core operations and advancing key strategic priorities, positioning the Company to navigate an increasingly dynamic operating landscape while delivering sustainable value to stakeholders.

As we move beyond the year under review, the external environment continues to shift, driven largely by the conflict in the Middle East. These developments are beginning to impact economies globally, with direct implications for Sri Lanka through rising energy costs, supply chain disruptions, pressures on household incomes, and broader economic uncertainty.

In this context, maintaining disciplined execution, resilience, and vigilance will be critical as we navigate the period ahead. This will require a continued focus on operational efficiency, prudent financial management, and the ability to respond with agility to an increasingly uncertain environment.

Against this backdrop, the sections that follow present an overview of Dialog's performance and strategic progress during the year.

Airtel Lanka Integration

A significant achievement during the year was the successful integration of Airtel Lanka. Executed within record timelines, the integration saw the completion of radio access network (RAN) consolidation within 100 days, with IT integration also completed ahead of plan.

The integration delivered tangible outcomes across key strategic priorities, including improved spectrum utilisation to enhance network performance, asset re-use through the redeployment of infrastructure to optimise capital expenditure, and the realisation of cost synergies that strengthened operational efficiency. Importantly, the integrated operation turned profitable within four months of consolidation, reflecting the effectiveness of these initiatives.

This milestone reflects Dialog's ability to execute complex transformation at scale, supported by disciplined planning and strong alignment across teams.

Sri Lanka's First and Largest 5G Deployment

In December, Dialog was successful in securing 5G spectrum on the 3500 MHz and 27 GHz bands paving the way for the commercial launch of next-generation broadband services in the country.

As the first operator to commercially enable 5G in the country, Dialog scaled its 5G footprint to connect over 1.5 million subscribers, establishing the largest 5G network in Sri Lanka. This investment represents a critical step in enabling next-generation connectivity. Beyond speed, 5G provides the foundation for innovation, enterprise enablement, and the continued evolution of Sri Lanka's digital economy. Dialog will continue to expand its 5G network, recognising its role in supporting long-term national competitiveness.

Digital Platforms and Artificial Intelligence

Dialog continued to advance its digital platforms through the introduction of Dialog AI, Sri Lanka's first trilingual generative AI platform.

By enabling access in Sinhala, Tamil, and English, the platform supports broader inclusion and accessibility, allowing individuals and enterprises to engage with emerging technologies in a locally relevant manner. The evolution of Govi Mithuru AI further extended these capabilities to the agriculture sector, providing intelligent, real-time advisory services that support improved productivity and informed decision-making.

These initiatives reflect Dialog's commitment to leveraging technology to expand access and create meaningful impact across communities, while supporting broader economic participation and Sri Lanka's transition towards a more digitally enabled future.

Cyclone Ditwah

The events surrounding Cyclone Ditwah placed significant strain on national infrastructure and highlighted the critical importance of reliable connectivity during times of disruption. The cyclone affected communities across the country, causing widespread

loss and hardship. Our thoughts remain with impacted families and communities as they continue to recover.

The scale and complexity of the situation required a coordinated and sustained response across multiple stakeholders.

Dialog mobilised a rapid, nationwide effort to restore connectivity and support emergency operations, working in close collaboration with regulatory authorities, the Tri-Forces, and other Government agencies. Restoration of network services was achieved within a short time frame, reflecting both the resilience of the network and the dedication of the Dialog team operating under challenging conditions.

In parallel, Dialog supported customers and communities by enabling continued access to essential communication services, while contributing to broader national response efforts. Dialog also pledged Rs. 420 million towards national recovery initiatives in health and education, supporting the restoration of critical healthcare infrastructure and the refurbishment of digital facilities in schools to enable continued access to education, alongside support extended to affected communities during this period.

This experience has reinforced the importance of building more resilient and future-ready infrastructure, and Dialog remains committed to strengthening its network to better withstand climate-related disruptions.

Financial Performance

Dialog delivered a strong financial performance during the year, supported by improving macroeconomic conditions and a continued focus on cost discipline and operational efficiency.

Group revenue grew by 4.9% year-on-year to Rs. 179.6 billion, reflecting contributions across all business segments, including the

integration of Airtel Lanka. Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) increased by 30% to Rs. 86.0 billion, supported by topline growth and cost rationalisation initiatives. Net Profit After Tax (NPAT) grew by 67% to a record Rs. 20.8 billion, despite higher tax and finance costs during the year. Earnings per share increased by 58% to Rs. 2.26, reflecting the strengthening of overall profitability.

Dialog also strengthened its financial position through improved operating free cash flow generation and a reduction in leverage, maintaining a resilient balance sheet while continuing to invest in strategic priorities.

Continuing its commitment as Sri Lanka's largest foreign direct investment (FDI), the Company invested Rs. 20.2 billion, primarily directed towards strengthening high-speed broadband infrastructure, including the expansion of 5G and broader digital capabilities. These investments, which now surpass USD 3.45 billion since inception, reflect Dialog's continued commitment to building digital infrastructure that enables inclusive and sustainable growth.

In addition, Dialog's total contribution to the Government of Sri Lanka in 2025 amounted to Rs. 54.7 billion comprising Rs. 11.1 billion in direct taxes and Rs. 43.6 billion in indirect taxes, reflecting its continued role as a significant contributor to national economic development.

Shareholder Value

Dialog's performance during the year translated into strong value creation for shareholders. The Company's share price increased by 2.5 times during the year, closing at Rs. 29.8, while market capitalisation increased to Rs. 274.2 billion. Dialog continued to rank among the top five listed companies on the Colombo Stock Exchange, contributing approximately 3.4% of total market capitalisation.

Chairman's Message

In line with its dividend policy, the Board proposed a dividend of Rs. 1.5 per share, translating to a dividend yield of 5%, reflecting the Company's commitment to delivering sustainable shareholder returns. These outcomes reflect sustained investor confidence and Dialog's focus on long-term value creation.

Sustainability and Governance

Sustainability continues to be a core pillar of Dialog's long-term strategy, shaping how the Company manages risk, allocates capital, and delivers value to stakeholders. Aligned with evolving regulatory requirements and international reporting standards, Dialog's approach integrates environmental stewardship, social inclusion, and strong governance into its overall business model.

Dialog continued to advance its environmental priorities through a structured focus on energy efficiency, responsible resource management, and long-term climate resilience. Aligned with its Net Zero ambition for 2050, the Company is focused on reducing its carbon footprint and transitioning towards more sustainable energy sources, recognising the critical role connectivity plays in supporting national continuity, particularly in times of disruption.

Beyond connectivity, Dialog's role extends to enabling meaningful participation in an increasingly digital society. Through its platforms and services, the Company continues to expand access to education, financial inclusion, and livelihood support. Initiatives such as Dialog AI and Govi Mithuru AI, alongside ongoing investments in education through programmes such as Shishyadara, reflect a deliberate focus on inclusive innovation, ensuring that the benefits of digitalisation are accessible, relevant, and impactful across all segments of society.

Governance remains fundamental to sustaining stakeholder trust and long-term value creation. Dialog continues to uphold high standards of transparency, accountability, and ethical conduct, supported by robust risk management practices and Board oversight. The Company's continued alignment with evolving regulatory and disclosure requirements further reinforces its commitment to credible and transparent reporting.

Looking Ahead

As we look ahead, Dialog remains well-positioned to build on the progress achieved during the year. The Company will continue to strengthen its core business, advance digital infrastructure, and expand platforms that enable innovation and inclusion, with investments in 5G, digital platforms, and emerging technologies playing a central role in shaping future growth.

At the same time, ongoing geopolitical developments, including tensions in the Middle East, continue to create uncertainty across global markets, particularly in relation to energy prices and supply chain stability. For Sri Lanka, these developments are already translating into rising fuel and electricity costs, alongside renewed pressures on economic recovery.

In this environment, maintaining agility, discipline, and resilience will be critical as we navigate the period ahead. Dialog remains vigilant to these external dynamics, maintaining a prudent and measured approach to managing potential impacts.

I recognise with appreciation Dialog's role in re-implementing the National Fuel Pass, first introduced in 2022 during the economic crisis, which reflects its contribution to supporting the country in navigating challenges at critical moments, in collaboration with public and private sector stakeholders.

Changes to the Board

In January 2025, Dr. Hans Wijayasuriya stepped down from his role, and the Board extends its sincere appreciation for his longstanding contributions and leadership. Over the years, his stewardship has played a significant role in shaping Dialog's strategic direction and advancing Sri Lanka's digital landscape. We wish him continued success in his future endeavours.

We are pleased to welcome Mr. Vivek Sood to the Board and look forward to the perspective and experience he brings in supporting Dialog's continued growth and strategic priorities.

The Board also extends its appreciation to Mr. Chari TVT, who served as an Independent, Non-Executive Alternate Director to Mr. Willem Lucas Timmermans, for his valuable contributions during his tenure. I am grateful to my fellow Board members, past and present, for their continued commitment, stewardship, and strategic guidance. Their collective experience and dedication have been instrumental in upholding the trust placed in us by our shareholders and stakeholders, while ensuring that Dialog remains a resilient, responsible, and forward-looking organisation.

Appreciation

On behalf of the Board, I extend our sincere appreciation to all our stakeholders for their continued trust and support. We are grateful to the Government of Sri Lanka, regulatory authorities, and industry partners for their guidance and support in enabling the continued development of the country's digital ecosystem and fostering a stable and progressive operating environment.

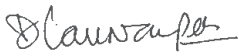
I also wish to thank our customers for the confidence they place in us, and our business partners for their continued

support as we work together to deliver meaningful and relevant solutions. Our appreciation extends to our shareholders for their continued confidence in Dialog's direction and long-term strategy.

Finally, I would like to acknowledge and thank our employees for their dedication, resilience, and commitment, particularly in navigating a year that presented both challenges and opportunities, to achieve an excellent 2025. Their efforts remain central to Dialog's continued progress and success.

Together, we remain committed to contributing towards a more connected, inclusive, and future-ready Sri Lanka, as we continue to deliver on our promise of 'The Future.Today.'

Thank you.



Mr. David Nai Pek Lau
Chairman / Non-Independent,
Non-Executive Director

30 April 2026

Group Chief Executive's Review of Operations



“With the trust of our customers, the dedication of our people, the confidence of our shareholders and the support of our stakeholders, we look ahead with confidence and humility. We remain committed to building a more connected, inclusive and digitally empowered Sri Lanka, while delivering sustainable value to all those we serve.”

Dear Shareholders,

2025 marked an important phase in Dialog's ongoing transformation. As the operating environment in Sri Lanka showed gradual signs of stabilisation, we remained focused on advancing our strategic priorities while navigating a landscape that continued to present both opportunities and challenges.

Guided by clear focus areas, ranging from execution excellence, delivering tier-one telco performance, customer experience, innovation, governance, people, and national responsibility, we concentrated on strengthening execution, improving the quality of growth, and building a business that is better positioned for the future.

- Execution excellence: Completed the Airtel Lanka integration and accelerated synergy capture, strengthening network economics and enabling earlier delivery of customer, business, and financial outcomes.
- Exceptional financial performance: Delivered responsible market growth with stronger earnings quality. Group revenue increased 4.9% to Rs. 179.6 billion, core service revenue grew 16% to Rs. 174.7 billion, Group EBITDA rose 30% to Rs. 86.0 billion, and NPAT increased 67% to Rs. 20.8 billion, supported by cost discipline and portfolio simplification.
- Strong balance sheet and governance: Further de-risked the Group, with total borrowings reduced to Rs. 76.5 billion and net USD exposure reduced to USD 10.5 million, while strengthening corporate governance, cybersecurity, data privacy, and anti-bribery and corruption standards.
- Consistent shareholder value creation: Sustained returns with a proposed dividend of Rs. 1.50 per share, translating to a 5% dividend yield and a total shareholder return of 160%, underpinned by stronger cash generation and a resilient capital structure.
- Customer excellence through enhanced product functionality, network experience and digital excellence: Enhanced network experience and scaled digital platforms to make service simpler and more responsive, powered by staff committed to delivering "Service From the Heart."
- Driving Sri Lanka's digital infrastructure: Expanded next-generation connectivity, including scaling the 5G network from 220 sites at launch to over 1,000 sites, while working to make broadband more affordable, available, and relevant for all.
- Championing innovation and digital financial inclusion: Progressed our brand promise of 'The Future.Today,' by expanding digital payments and inclusion through eZ Cash and Genie, and by broadening AI and digital platforms for everyday use cases.

- Building a next-generation organisation with a purpose-driven, high-performing team: Continued to build a culture that embraces diversity, equity and inclusion (DEI), develops future-ready capabilities, and mobilises our people to catalyse change and drive the next wave of growth.
- Standing by Sri Lanka in times of need: Demonstrated our role as essential national infrastructure, completely restoring the network within seven days after Cyclone Ditwah, supporting impacted communities and institutions, and continuing to advance sustainability through lower-carbon operations and platforms such as Govi Mithuru and Sayuru.

Our role in supporting Sri Lanka's digital transformation continues to deepen. Beyond connectivity, we are increasingly focused on enabling digital access, enterprise capability, and platform-based services that support individuals, businesses, and institutions. This requires a coordinated approach across network investment, digital channels, enterprise solutions, and financial discipline, ensuring that growth is both sustainable and aligned with national priorities. Cyclone Ditwah further highlighted the importance of resilience in national digital infrastructure and reinforced our responsibility as a provider of essential connectivity.

We remain guided by a balanced approach to performance, ensuring that innovation is matched with affordability, expansion with resilience, and ambition with disciplined stewardship.

"We remain guided by a balanced approach to performance, ensuring that innovation is matched with affordability, expansion with resilience and ambition with disciplined stewardship."

The progress achieved in 2025 reflects the efforts of our people, the trust of our customers, and the continued support of our shareholders and stakeholders. For this, I extend my sincere appreciation.

2025 focus areas and performance review

Over the past two years, we have taken steps to reshape the portfolio, strengthen the balance sheet, and improve cost structures. In 2025, these actions translated more clearly into outcomes, including accelerating value realisation from integration, strengthening financial resilience and governance, improving service experience through network and digital platforms, and advancing a digital-first, AI-powered operating model. Growth was not pursued in isolation, but alongside improvements in efficiency, resilience, and long-term sustainability.

The completion of the Airtel Lanka integration enabled us to convert scale into stronger network economics and a more streamlined operating model. We continued to invest in next-generation infrastructure, including the commercial launch of 5G, while also advancing AI adoption across the business to enhance customer experience, operational efficiency, and sector-specific solutions.

The progress achieved in FY2025, as outlined below, reflects a more deliberate and disciplined approach to how we operate and invest.

1) Execution excellence: Airtel integration and synergy realisation

From the outset, the integration was guided by a clear strategic intent. Beyond expanding the subscriber base, the focus was on improving network economics, enabling more efficient spectrum utilisation, reducing structural duplication, and supporting a more sustainable investment environment for digital infrastructure in Sri Lanka.

"Growth was not pursued in isolation, but alongside improvements in efficiency, resilience and long-term sustainability."

FY2025 was defined by disciplined execution, most notably the completion of the Airtel Lanka integration and the accelerated value realisation that followed.

- IT integration was completed within 13 months, with duplicate legacy platforms progressively retired.
- Synergy delivery in FY2025 was approximately 1.6 times ahead of plan, with combined revenue and opex synergies over the 18 months ended December 2025 amounting to Rs. 13.3 billion.
- The programme improved capital efficiency through asset reuse and reduced duplication, strengthening our ability to invest in future technologies on a more sustainable basis.
- The combined network helped improve access to connectivity for Airtel subscribers while improving broadband speeds for all users in the combined network.

2) Exceptional financial performance: responsible growth and sustainable returns

We continued to embed efficiency into how the business is designed and run, improving cost-to-serve, asset utilisation, and investment governance, so that performance improvements are sustainable and can be reinvested into the experience and resilience of the network.

Our ambition remains clear: to perform at best-in-class, tier-one standards, while balancing value realisation with affordability and long-term sustainability. FY2025 saw a step-up in earnings quality and operating leverage, supported by sharper revenue mix and continued operating discipline.

Group Chief Executive's Review of Operations

"The Company continued to be a strong contributor to tax revenues. Total remittances to the Government of Sri Lanka amounted to Rs. 54.7 billion in FY2025, comprising Rs. 11.1 billion in direct taxes (up 5%) and Rs. 43.6 billion (up 19%) from indirect taxes."

- Group revenue increased 4.9% to Rs. 179.6 billion; Group earnings before interest, tax, depreciation and amortisation EBITDA increased 30% to Rs. 86.0 billion; Group net profit after tax (NPAT) increased 67% to Rs. 20.8 billion (normalised NPAT Rs. 22.1 billion).
- At Company level, revenue increased 17.4% to Rs. 135.8 billion and EBITDA increased 32% to Rs. 63.6 billion, supported by synergy capture and cost rescaling.
- Delivered over Rs. 5 billion in cost savings and efficiency gains, driven by network optimisation, digital enablement, IT and cloud efficiency, and productivity improvements.
- Lowered customer acquisition costs by over 20% year-on-year, supported by improved digital journeys and lifecycle management.
- Operating free cash flow increased to Rs. 49.3 billion, strengthening our capacity to reinvest and sustain shareholder returns.
- The Company continued to be a strong contributor to tax revenues. Total remittances to the Government of Sri Lanka amounted to Rs. 54.7 billion in FY2025, comprising Rs. 11.1 billion in direct taxes (up 5%) and Rs. 43.6 billion (up 19%) from indirect taxes.

- Strengthened investment governance through tighter prioritisation, value-based planning, and improved asset reuse. We invested Rs. 20.2 billion (11% of revenue) towards network expansion and digital platforms, supported by integration-driven efficiencies and asset reuse. Dialog remains the largest FDI in the country with cumulative investments exceeding USD 3.45 billion as of FY2025.

3) Strong balance sheet and corporate governance

We continued to strengthen resilience in the balance sheet and governance, reducing exposure to external volatility and ensuring the business can fund long-term investment requirements with confidence.

- Total borrowings reduced from Rs. 107.7 billion to Rs. 76.5 billion; net debt to EBITDA remained at 0.64x; net USD exposure declined to USD 10.5 million (approximately 96% lower than FY2022).
- Funding efficiency improved through the execution of a reverse auction, enabling the sourcing of lower-cost, long-term fixed-rate funds and increasing the proportion of fixed-rate borrowings within the debt portfolio.
- The Group maintained its AAA (lka) rating with a stable outlook, reinforcing confidence among investors and partners.
- As digital services scale, we strengthened cybersecurity, data privacy, and integrity controls, alongside a continued focus on anti-bribery and anti-corruption standards.

4) Best performing telco stock: consistent shareholder value creation

FY2025 performance translated into tangible shareholder outcomes, reflecting increased confidence in the sustainability of our recovery and the discipline underpinning our capital allocation.

- DIAL share closed FY2025 at Rs. 29.8, representing a 155% increase during the year; market capitalisation increased to Rs. 274.2 billion.
- The Board proposed a dividend of Rs. 1.50 per share for FY2025 (5% dividend yield), totalling Rs. 13.8 billion, balancing shareholder returns with continued reinvestment capacity.

5) Delivering customer experience: network quality, digital platforms and "Service From the Heart"

Customer experience remained central to our strategy in FY2025. We focused on strengthening reliability and relevance of our services, while improving how customers interact with us across physical and digital channels, delivered by teams committed to "Service From the Heart."

- Strengthened value realisation in Mobile business through improved propositions, pricing optimisation, and enhanced customer lifecycle management.
- Continued the shift in fixed broadband towards improved speeds and coverage, with a focus on prepaid broadband and enterprise connectivity, while scaling down low-margin international wholesale traffic.
- Improved experience governance and accountability across touchpoints; the MyDialog App continued to scale as a primary interface for transactions, service management, and support.
- Scaled digital self-service and digitised core customer journeys (buy, bill, pay, service) to improve consistency and reduce friction.
- Continued simplification of technology architecture and cloud-enabled improved scalability and speed of delivery.

- Launched Dialog Play, strengthening the long-term entertainment proposition and media consumption across mobile and large screens. Our sports platform, ThePapare, expanded its reach, cementing its position as the number one sports content provider and secured exclusive Sri Lanka media rights for all ICC events (2026–2028), which will further deepen engagement across television and digital platforms.

6) Driving Sri Lanka's digital infrastructure: 5G and next-generation broadband for all

We continued to invest in Sri Lanka's digital infrastructure, expanding next-generation connectivity and progressing 5G as a foundational platform for future services, while maintaining a focus on making broadband more affordable, available, and relevant to all.

- Secured spectrum in both the 3500 MHz and 27 GHz bands to support a balanced approach to coverage and high-capacity, low-latency use cases.
- Commercially launched Dialog 5G Ultra with over 220 sites and scaled the network to over 1,000 sites across all 25 districts.
- Committed to invest USD 100 million over the next two years, reflecting our view of 5G as a platform for future digital services and enterprise applications.
- Continued to strengthen the role of fibre and, over time, 5G-based broadband solutions in supporting home broadband, enterprise connectivity, and data-driven services.

7) Championing innovation: digital financial inclusion, AI for all, and enterprise digitisation

We progressed our brand promise of 'The Future.Today.' by scaling innovation across consumer and enterprise use cases, expanding digital finance,

"We continued to invest in Sri Lanka's digital infrastructure, expanding next-generation connectivity and progressing 5G as a foundational platform for future services."

increasing the accessibility of AI, and strengthening solution-led capabilities that help businesses accelerate their own digital transformation.

- Expanded digital payments and inclusion through eZ Cash and Genie, strengthening accessible financial services and transaction platforms.
- Introduced Dialog AI, Sri Lanka's first trilingual generative AI platform, increasing accessibility across Sinhala, Tamil, and English.
- Strengthened enterprise capabilities across cloud, cybersecurity, IoT, managed services, and software-defined networking, supported by partnerships and ecosystem collaboration.

8) Building a next-generation organisation: purpose-driven, digital-first and AI-powered

Our progress in FY2025 was enabled by the commitment of our people and a culture that prioritises customer impact, disciplined execution, teamwork and responsible leadership. We continued to build a high-performing, purpose-led organisation that embraces DEI and develops future-ready capabilities.

We accelerated the shift towards a simplified, digital-first operating model, using automation and AI to improve speed, productivity, and decision quality across frontline, back office, and technology functions.

- Continued to strengthen organisation-wide AI fluency and practical adoption through focused capability-building initiatives.
- Continued to strengthen DEI as a core enabler of performance, alongside capability building to support digital-first and AI-powered ways of working.
- Recognised and reinforced a service culture that is committed to delivering "Service From the Heart" across customer touchpoints.

Standing by Sri Lanka: national responsibility, inclusion and sustainability

As a provider of essential national infrastructure, we continued to stand by Sri Lanka, responding to crises, enabling inclusion through platforms, and advancing energy efficiency and decarbonisation across our footprint.

- Following Cyclone Ditwah, approximately 2,200 of 6,000 sites were impacted; our teams restored the network fully within seven days, working closely with public institutions and disaster response agencies.
- Committed USD 250 million over the next three years towards strengthening climate-resilient infrastructure and committed Rs. 420 million towards national rebuilding efforts to support healthcare and education infrastructure in affected communities.

"Committed USD 250 million over the next three years towards strengthening climate-resilient infrastructure and committed Rs. 420 million towards national rebuilding efforts to support healthcare and education infrastructure in affected communities."

Group Chief Executive's Review of Operations

- ◆ Scaled inclusion platforms: Govi Mithuru supported over 1.1 million farmers; Sayuru reached over 160,000 fishermen; Shishyadara, the digital platform to distribute stationery vouchers co-developed with MillenniumIT ESP, enabled support to over 450,000 students; and platforms such as DeafTawk and Yeheli expanded accessible services.
- ◆ Advanced environmental sustainability and energy efficiency: solar deployments reached 1,067 sites by end-2025, aligned to broader net zero ambitions through energy optimisation and renewable adoption.

Outlook for 2026 and Beyond

As we look ahead, Dialog enters 2026 from a position of strengthened fundamentals, improved scale, stronger financials, a resilient balance sheet, and a more efficient operating model. We will build on the same focus areas that shaped our execution in FY2025, sustaining discipline in how we invest, operate, and serve customers, while accelerating the next phase of growth in connectivity, platforms, and enterprise solutions powered by 5G and AI.

1) Sustain performance and financial discipline amid external volatility

We will remain focused on sustaining earnings quality, cash generation, and balance sheet resilience while navigating challenging externalities, including potential spill-over impacts from the Middle East crisis on energy prices and availability, inflation, and currency dynamics.

We will aim for stable execution against our financial discipline agenda, with continued focus on returns-led investment and prudent risk management.

"As we look ahead, Dialog enters 2026 from a position of strengthened fundamentals, accelerating the next phase of growth in connectivity, platforms and enterprise solutions powered by 5G and AI."

2) Strengthen network infrastructure resilience to adverse weather and natural disasters

Building on the lessons from Cyclone Ditwah, we will accelerate resilience investments across critical infrastructure, enhancing redundancy, hardening key sites, improving backup power capability, and strengthening restoration readiness to reduce the impact of extreme events on customers and essential services.

We will aim for stronger service continuity during disruptions and faster restoration through improved resilience and operational preparedness.

3) Operational excellence: best network, best experience and most trusted brand

We will continue to raise the bar on operational excellence, delivering a network that is smarter and greener, an experience that is consistent, proactive, and preventive, and reinforcing Dialog's position as the most trusted partner for Sri Lankans across consumer, home, and enterprise needs.

We will aim for sustained improvements in network experience and service outcomes, supported by higher efficiency and trust-led brand strength.

4) Operating model: simplify, standardise, digital-first and AI-powered

We will further simplify and standardise end-to-end business processes, accelerating digital-first execution and scaling AI across value delivery, from customer operations and decisioning to network, IT, and support functions, to improve speed, quality, and productivity.

We will aim for fewer handoffs and rework, higher digital adoption across core journeys, and measurable productivity gains from automation and AI.

5) Win with 5G: accelerate deployment and adoption to drive the next wave of broadband growth

We will drive the next wave of broadband growth through accelerated 5G deployment and adoption, prioritising high-impact clusters and use cases while ensuring that investment remains disciplined and anchored in customer value and network experience.

We will aim towards growing adoption and a clear expansion of 5G-led propositions across consumer, home broadband, and enterprise use cases.

6) Champion Sri Lanka's digital economy through digital payments, AI and next-generation enterprise technology

We will deepen our role in enabling Sri Lanka's digital economy by scaling digital payments, expanding AI-driven services, and strengthening next-generation technology solutions for enterprises, supporting productivity, security, and resilience across key sectors.

We will aim for stronger ecosystem participation through higher adoption and usage of digital payments, and increased enterprise outcomes enabled through advanced ICT, cloud, cybersecurity, and AI.

7) Sustainability: reduce carbon footprint, expand access and inclusion, and strengthen DEI

We will continue to embed sustainability into how we operate and invest, reducing our carbon footprint through energy efficiency and renewable adoption, expanding access to education and digital inclusion through platforms and partnerships, and strengthening DEI as a core enabler of a high-performing organisation.

"We will aim for sustained progress on decarbonisation and inclusion priorities, supported by responsible operations and an inclusive, future-ready culture."

We will aim for sustained progress on decarbonisation and inclusion priorities, supported by responsible operations and an inclusive, future-ready culture.

Across these priorities, we will remain anchored in financial discipline, resilience, and responsible stewardship, ensuring that investments in digital infrastructure, platforms, and capabilities are guided by long-term returns, affordability, and national value creation.

Appreciation

I would like to extend my sincere appreciation to all those who contributed to Dialog's progress in 2025.

To our customers, thank you for your continued trust. In a year that tested both infrastructure and institutions, your confidence in Dialog remained a constant source of responsibility and motivation.

To our shareholders, including Axiata Group Berhad and Bharti Airtel, thank you for your continued support and confidence in our long-term direction. Your belief in both Sri Lanka and in Dialog enables us to invest with conviction and take a long-term view of value creation.

To the Government of Sri Lanka, the Telecommunications Regulatory Commission of Sri Lanka, the Central Bank, the Board of Investment, and other public institutions, I extend my appreciation for your continued collaboration. Our progress during the year, from integration and infrastructure expansion to crisis response and recovery support, was strengthened by effective public-private partnership.

I also thank our Chairman and the Board of Directors for their guidance and stewardship, and our partners and vendors for their continued support in delivering quality services and advancing our capabilities.

Above all, I thank the Dialog team. Whether in driving integration, restoring the network under extreme conditions, advancing digital platforms, or strengthening the economics of the business, your commitment, team work, 'Yes We Can' attitude and professionalism have been central to our progress.

In Conclusion

Dialog enters 2026 as a stronger, more resilient, and more future-ready enterprise. Over the past two years, the Company has moved beyond recovery towards structural strengthening, improving revenue quality, strengthening financial performance, reinforcing the balance sheet, and building the next generation of digital infrastructure and services.

During this period, we have completed one of the most significant integrations in our history, launched commercial 5G services, expanded our digital platforms, strengthened free cash flow and profitability, and demonstrated our role as a trusted national partner during a time of disruption.

"Above all, I thank the Dialog team. Whether in driving integration, restoring the network under extreme conditions, advancing digital platforms or strengthening the economics of the business, your commitment, teamwork, 'Yes We Can' attitude and professionalism have been central to our progress."

Our purpose remains unchanged: to empower and enrich Sri Lankan lives and enterprises through technology. What continues to evolve is how we deliver on that purpose, with greater scale, deeper capability, and stronger alignment to the country's digital future.

From future-ready connectivity and enterprise solutions to AI-enabled platforms and inclusive digital services, Dialog remains committed to supporting Sri Lanka's next phase of progress.

With the trust of our customers, the dedication of our people, the confidence of our shareholders, and the support of our stakeholders, we look ahead with confidence and humility. We remain committed to building a more connected, inclusive, and digitally empowered Sri Lanka, while delivering sustainable value to all those we serve.



Mr. Supun Weerasinghe
Group Chief Executive,
Dialog Axiata PLC

30 April 2026

Board of Directors



Mr. David Nai Pek Lau
Chairman /
Non-Independent,
Non-Executive Director



Mr. Supun Weerasinghe
Group Chief Executive /
Non-Independent,
Executive Director



Mr. Willem Lucas Timmermans
Independent,
Non-Executive Director



**Mr. Visvanathamoorthy ("Vish")
Govindasamy**
Independent, Non-Executive Director



Mr. Randeep Singh Sekhon
Non-Independent,
Non-Executive Director



Dr. Sharmini Coorey
Independent,
Non-Executive Director



Ms. Komathi Balakrishnan
Non-Independent,
Non-Executive Director



Mr. Thomas Hundt
Non-Independent,
Non-Executive Director



Mr. Vivek Sood
Non-Independent,
Non-Executive Director

Board of Directors

Mr. David Nai Pek Lau

Chairman / Non-Independent, Non-Executive Director

Mr. David Lau was appointed as the Chairman of the Board of Directors of Dialog Axiata PLC with effect from 1 July 2020 and as a member of the Board with effect from 13 May 2020.

Mr. Lau has over 35 years of professional experience in finance and leading financial organisations in various locations in Australia, Brunei, China, Malaysia, New Zealand, Netherlands and the UK. Mr. Lau retired from Shell Malaysia in August 2011 after serving the Shell Group for about 30 years. His major assignments include the Finance Director for Shell Malaysia, Finance Director for Shell China, Global Controller for the Exploration and Production Division of Royal Dutch Shell, and Vice-President Finance for Shell International Exploration and Production B.V., in the Netherlands. Mr. Lau was an Independent Non-Executive Director of Axiata Group Berhad from April 2008 to July 2020, the last 2 years as the Senior Independent Non-Executive Director. From June 2009 to October 2020, he was an Investment Panel member of the Malaysia Employees Provident Fund. He is also a board member of Heineken Malaysia Berhad and KKB Engineering Berhad. Mr. Lau was also appointed as an Independent and Non-Executive Chairman of Boost Bank Berhad, effective 15 January 2024.

Mr. Lau graduated from the Canterbury University, New Zealand with a Bachelor of Commerce and is a Member of the Malaysian Institute of Accountants.

Mr. Supun Weerasinghe

Group Chief Executive / Non-Independent, Executive Director

Mr. Supun Weerasinghe is the Executive Director and Group Chief Executive at Dialog Axiata PLC, a position he holds since 2017. His career in telecommunications began with Dialog in 1999, where he progressed through various key roles, including Head of Strategy, Chief Executive Officer of the Mobile Business, and Group Chief Operating Officer.

In 2013, Mr. Weerasinghe functioned as the Group Chief Strategy Officer at Axiata Group Berhad in Malaysia. He then led Robi Axiata Limited in Bangladesh as the Chief Executive Officer and Managing Director from 2014 to 2016.

Mr. Weerasinghe serves on the Boards of Hemas Holdings PLC, the Ceylon Chamber of Commerce, and United Nations Global Compact (UNGC) Network, Sri Lanka.

He is a Fellow Certified Management Accountant, Sri Lanka, Fellow Member of the Chartered Institute of Management Accountants, UK, and holds a Bachelor of Science in Accountancy and Financial Management from the University of Sri Jayawardenepura, Sri Lanka. Mr. Weerasinghe holds an MBA from the University of Western Sydney, Australia, and is an alumnus of the Harvard Business School.

Mr. Willem Lucas Timmermans

Independent, Non-Executive Director

Mr. Willem Lucas Timmermans was appointed to the Board of Dialog Axiata PLC on 10 May 2017.

Mr. Timmermans served as a Director of PT XL Axiata Tbk, a subsidiary of Axiata Group Berhad, from 2006 until March 2018.

Mr. Timmermans commenced his career in Finance at TVM Insurance Company Netherlands and held strategic positions in KPN Netherlands from 1988 until 1997. Mr. Timmermans furthered his career and served as the Finance Director of PT Bakrie Elektronik (Indonesia) and was appointed Vice-President Business Control and Investor Relations of PT Telkomsel (Indonesia) prior to his appointment as Director and Chief Financial Officer of PT XL Axiata Tbk (Indonesia) in 2006. In 2011, he served as a Director and Chief Operating Officer and in 2015 as Director and Chief Strategic and Transformation Officer of PT XL Axiata Tbk.

He also served as a Non-Executive Director of Celcom Axiata Berhad (Malaysia) from 2011 to 2017.

Mr. Timmermans currently serves as an Independent Commissioner to PT XL Smart Telecom Sejahtera, the Chairman of the BAC of PT XL Smart and a member of the BRCC. In addition, he is a member of the BAC of PT Buma International Group Tbk (previously known as Delta Dunia Makmur).

Mr. Timmermans holds degrees in Business Administration from the Business Administration and Economics School of the State University Groningen, Netherlands and Business Economics and Financing from the State University of Groningen, Netherlands. Additionally, he is a member of the Institute of Certified Management Accountants (CMA), Australia.

Dr. Sharmini Coorey**Independent, Non-Executive Director**

Dr. Sharmini Coorey was appointed to the Board of Dialog Axiata PLC on 15 October 2022.

Dr. Coorey is a former Department Director of the International Monetary Fund (IMF) and a former member of the Presidential Advisory Group on Multilateral Engagement and Debt Sustainability advising the Government of Sri Lanka during the economic crisis. Her 35 years of experience at the IMF includes surveillance and programme work in a range of advanced, emerging market, and developing countries in Africa, Asia, Europe, and the Western Hemisphere as well as fund policy work.

Prior to her retirement in November 2021, Dr. Coorey served for almost nine years as the Director of the Institute for Capacity Development, the IMF's Department for Capacity Building. As its first Director, the most senior staff-level position at the IMF, she was instrumental in establishing the department and providing strategic direction for governance, management, and funding of the IMF's technical assistance activities and overseeing the IMF's training of government officials in policy-oriented macroeconomics.

Dr. Coorey also served on the Investment Committee of the IMF Staff Retirement Plan and on the Editorial Committee of IMF Staff Papers. She was a visiting researcher at George Washington University's Elliott School of International Affairs and is currently an international policy fellow at Verite Research in Sri Lanka.

Dr. Coorey holds Ph.D. and Bachelor's Degrees in Economics from Harvard University. She has published papers on inflation and economic growth in transition and developing countries and edited a book on managing oil wealth in Central African countries.

Ms. Komathi Balakrishnan**Non-Independent, Non-Executive Director**

Ms. Komathi Balakrishnan was appointed to the Board of Dialog Axiata PLC effective 7 July 2023.

Ms. Balakrishnan is the Group Financial Controller, Axiata Group Berhad ("Axiata"), a position she has held from April 2019 to date.

Ms. Balakrishnan has 31 years of professional experience in accounting and finance in leading organisations. Prior to joining Axiata, Ms. Balakrishnan functioned as the Group Financial Controller at Sapura Energy Berhad and at Telekom Malaysia Berhad ("Telekom Malaysia"). Prior to that, Ms. Balakrishnan has held senior finance leadership roles at Telekom Malaysia.

Ms. Balakrishnan holds a Bachelor of Accounting (Hons) First Class from the University of Malaya and Master of Finance (High Distinction) from the Malaysia Institute of Management - RMIT (Australia) Programme. In addition, Ms. Balakrishnan holds professional qualifications from the Malaysian Institute of Certified Public Accountants (MICPA) and Malaysian Institute of Accountants (CPA).

Mr. Thomas Hundt**Non-Independent, Non-Executive Director**

Mr. Thomas Hundt was appointed to the Board of Dialog Axiata PLC effective 17 February 2024. Mr. Hundt is the Group Chief Strategy and Technology Officer of Axiata Group Berhad ("Axiata"), a position he has held since October 2021.

Prior to this, from mid-2008 until October 2021, Mr. Hundt served as the Managing Director and Chief Executive Officer of Smart Axiata in Cambodia, the leading telecom operator. Mr. Hundt was the founding Chief Executive Officer of Smart, which he grew from greenfield, number eight position in the market to number one position, including through the acquisition of Star-Cell in 2011 and the merger with Hello Axiata in 2013. While continuing to serve as the Chief Executive Officer of Smart Axiata, he also held the position of Executive Vice-President for Technology of Axiata from January 2020.

Mr. Hundt further serves as Commissioner of PT Link Net Tbk, Indonesia, an Axiata company, the second largest Internet Service Provider of Indonesia, as Director of EDOTCO Group Sdn Bhd, an Axiata company, a leading tower and telecom infrastructure company across South and South East Asia and as Director of Axiata Digital Labs (Private) Limited, Sri Lanka, an Axiata company, an innovative software platform and solutions provider who is providing telco-focused digital and IT services and solutions. Mr. Hundt served as Director of Celcom Axiata Berhad, one of the largest telecom operators in Malaysia, an Axiata company, from March 2020 till its merger with Digi in November 2022 and of Ncell Private Limited, the leading mobile operator in Nepal, then an Axiata company, from June 2016 till March 2020.

Board of Directors

He gained his vast experience in the telecommunications industry during his tenure in key management positions with Siemens AG's Communication Division and Nokia Siemens Networks during 1996 till 2008, including an overseas stint in Shanghai, China. Mr. Hundt is the Vice President of German Business in Cambodia (GBC) since January 2010 and founding Board Member of the European Chamber of Commerce (Eurocham) Cambodia since January 2011, of which he serves as Vice-President at present. Mr. Hundt holds an Apprenticeship Cooperative Studies Programme in Business Administration by German Chamber of Industry and Commerce and Siemens AG, Germany ("Stammhauslehre") and holds a degree from IHK for Industrial Business Administration.

Mr. Visvanathamoorthy ("Vish") Govindasamy **Independent, Non-Executive Director**

Mr. Vish Govindasamy was appointed to the Board of Dialog Axiata PLC on 1 October 2024.

Mr. Govindasamy currently serves as a Non-Executive, Deputy Chairman of Sunshine Holdings PLC. Additionally, he holds directorships at Softlogic Life Insurance PLC, United Motors Lanka PLC, Lanka Island Resort Ltd, Watawala Plantations PLC and Ceylon Business Development Limited.

Mr. Govindasamy's esteemed leadership extends beyond the corporate realm. He is an appointed member of the Governing Board of the Central Bank of Sri Lanka, the Immediate Past Chairman of the Ceylon Chamber of Commerce, and a former Chairman of the Employers' Federation of Ceylon.

He holds an MBA and a Bachelor of Science in Electrical Engineering from the University of Hartford, USA. Additionally, he is a Fellow of the Institute of Certified Professional Managers in Sri Lanka.

Mr. Randeep Singh Sekhon **Non-Independent, Non-Executive Director**

Mr. Randeep Singh Sekhon has been appointed to the Board of Dialog Axiata PLC effective 8 November 2024 as a Non-Independent, Non-Executive Director.

Mr. Sekhon is the Chief Technology Officer for Airtel India and South Asia. Headquartered in New Delhi, India, the company ranks amongst the top 3 mobile service providers globally in terms of subscribers. In India, the company's product offerings include 2G, 4G and 5G wireless services, high-speed home broadband services using FTTH and FWA technologies, home entertainment using DTH, financial services through Airtel bank and enterprises services including core connectivity, digital services like cloud, security, IOT, CPAAS etc., data centre services and international long distance services.

Mr. Sekhon leads the Airtel Network and Technology teams responsible for Technology Strategy and Innovation, Network Planning, Build and Operations for mobile, broadband, enterprise and transport networks, Customer Experience and Digitisation.

Prior to this, Mr. Sekhon was the Chief Executive Officer of Hutchison Tri Indonesia based out of Jakarta. He successfully drove customer centricity and digitisation led efficiency and business transformation for 3 in Indonesia.

Mr. Vivek Sood**Non-Independent, Non-Executive Director**

Mr. Vivek Sood was appointed to the Board of Dialog Axiata PLC on 16 January 2025.

Mr. Sood has 34 years of extensive experience across Telecommunications, Finance and FMCG industries, during which he has successfully led multi-disciplinary and multi-cultural teams.

Mr. Sood is the Group Chief Executive Officer and Managing Director of Axiata Group Berhad. Prior to that, he served as the Group Chief Financial Officer. Axiata Group is a prominent Regional Telecommunications company with presence in 9 countries across South and Southeast Asia serving 160 million customers.

He also serves as Chairman, Axiata Digital and Analytics Sdn Bhd and Boost Holdings Sdn Bhd, Board Member of Robi Axiata, CelcomDigi Berhad and as a Commissioner on the Boards of PT XL Axiata Tbk and PT Link Net Tbk.

Mr. Sood joined Axiata after spending over 6 years with Telenor Group, holding several key leadership roles as Executive Vice-President and Group Chief Marketing Officer, Chief Executive Officer Telenor India, Chief Executive Officer of Grameenphone Bangladesh, and Executive Vice-President-Finance of Telenor India.

Mr. Sood held key positions as Chief Operating Officer and Chief Financial Officer of Tata AIA Life Insurance India. Prior to that, he served Hutchison Essar South Limited as Vice-President of Finance-South Circles, and Tupperware as Director of Finance-India Operations. Mr. Sood began his career at Hindustan Lever Limited, Unilever subsidiary in India where his last position was Regional Commercial Manager.

Mr. Sood holds a Bachelor of Commerce from University of Delhi and is a qualified Chartered Accountant of India. He got his Accountancy and Audit Training with PricewaterhouseCoopers (PwC).

Corporate Management Team



Mr. Munesh David
Group Chief Commercial Officer



Ms. Renuka Fernando
Group Chief Digital Services Officer



Mr. Ranga Kariyawasam
Group Chief Technology Officer



Dr. Romesh Ranawana
Group Chief Analytics
and AI Officer



Ms. Lim Li San
Group Chief Operating Officer



Ms. Sim Siew Shan
Group Chief Financial Officer



Mr. Asela Perera
Group Chief Information Officer



Mr. Navin Pieris
Group Chief Officer -
Dialog Enterprise



Mr. Asanga Priyadarshana
Group Chief Corporate Officer



Mr. Lasantha Theverapperuma
Group Chief Marketing Officer



Ms. Rekha Weerasooriya
Group Chief People Officer

Corporate Management Team

Mr. Munesh David

Group Chief Commercial Officer

Mr. Munesh David counts for over 30 years of experience in local and international corporates, spanning diverse industries including Digital Telco, eCommerce, Plantation, Retail, Manufacturing, Distribution, Software, Consultancy, Agriculture, Aqua-Culture, Trading, and Audit.

In his current role as Group Chief Commercial Officer, he oversees functions of Supply Chain Management, Programme Management, and Revenue responsibility for Tele-Infrastructure business.

Mr. David is a Fellow Member of the Chartered Institute of Management Accountants UK (FCMA) and a Fellow Member of CPA Australia. He also holds an MBA from the University of Southern Queensland Australia, and has attended an Executive General Management Education programme conducted by INSEAD.

Previous positions Mr. David has served include; Acting Group Chief Financial Officer, Vice-President – Group Corporate Planning and Strategy of Dialog Axiata PLC, Group Chief Internal Auditor, Acting Chief Executive Officer, Chief Financial Officer of wow.lk (the former eCommerce business of Dialog), Head of Finance - EDOTCO Sri Lanka (tower business of Dialog), Head of Strategic Planning - Upstream Goodhope Asia - Plantation Company (Operating in Indonesia and Malaysia), Group Chief Financial Officer of ODEL PLC (Fashion Retailer), Finance Manager of OneSteel Group (currently known as Arrium) - a fully-integrated, manufacturer and distributor of Steel in Australia, Head of Group Corporate Finance - Dialog Axiata PLC, Senior Accountant at John Keells Computer Services (Pvt) Ltd., Investment Analyst at CF Venture Fund, and commenced his career as an Audit Trainee at KPMG Sri Lanka.

Ms. Renuka Fernando

Group Chief Digital Services Officer

Ms. Renuka Fernando currently holds the position of Group Chief Digital Services Officer of Dialog Axiata PLC, playing a significant role in steering the Company's digital services initiatives. She is the Chairperson and a member of the Board of Dialog Finance PLC, contributing her expertise to drive significant advancements in the fintech vertical.

Ms. Fernando is a highly experienced business leader with over 40 years of experience in the banking sector, with extensive expertise in growing and developing banking, and a particular focus on Digital Banking.

Prior to joining Dialog in April 2020, she headed Nations Trust Bank PLC (NTB) as the Director / Chief Executive Officer from 2012, and has played a pivotal role in bringing the organisation to where it is today. During her stint with NTB, she played many senior leadership roles including Deputy Chief Executive Officer, Deputy General Manager – Retail and Consumer Banking, and Assistant General Manager – Corporate Financial Solutions. Prior to joining NTB, Ms. Fernando held the positions of Vice-President / Head of Global Transactional Services and Head of Consumer Banking at ABN AMRO Bank N.V., Sri Lanka. She has also worked at Banque Indosuez, Sri Lanka as Manager Corporate Banking and at Nederlandsche Middenstands Bank - Hong Kong.

In addition to playing key leadership roles in the corporate sector, Ms. Fernando has also functioned as the Vice President – American Chamber of Commerce and has previously served as Director of Lanka Clear (Pvt) Ltd. and Chairperson of the Sri Lanka Bankers Association.

Renuka is an Associate of the Chartered Institute of Bankers, UK. She is also an alumna of the Advanced Management Programme at Harvard Business School.

Mr. Ranga Kariyawasam

Group Chief Technology Officer

Mr. Ranga Kariyawasam leads the Technology function of the Dialog Group. His portfolio spans strategising, planning, development, and operation of multiple networks and services, including but not limited to the Group's Mobile, Broadband, Fixed Line, Digital Television and International Telecommunications infrastructures, as well as leading the Information Security function for Network and IT.

Mr. Kariyawasam joined Dialog in 2001 and was seconded to Axiata Group Berhad in Malaysia in 2013. Before returning to Dialog as the Group Chief Technology Officer, he was the Group Head of Network Strategy and Planning at Axiata, managing the Technology Strategy and Planning for its six operating companies. He holds a Bachelor of Science (First Class Honours) degree in Electronic and Telecommunication Engineering from the University of Moratuwa, Sri Lanka and a Master of Science in Wireless Networks (Merit) from Queen Mary, University of London, United Kingdom.

Mr. Kariyawasam has over ten years of extensive international experience in Technology Planning and Management, both at operating company level and corporate headquarters. During this time, he developed a strong track record of leading and managing multicultural teams of knowledge workers across multiple operating companies. Over the course of his 24-year career in technology management, Mr. Kariyawasam has garnered extensive experience across multiple generations of mobile telephony and other telecommunications technologies.

Mr. Asela Perera**Group Chief Information Officer**

Mr. Asela Perera leads the Information Technology (IT) function of the Dialog Group, and the Cloud Track under the Collective Brain Initiative of the Axiata Group. His portfolio spans the planning, development, and operations of IT Systems and Infrastructure for Telecommunications, FinTech, and Digital Services businesses driving convergence. He played a pivotal role in the success of the Digital Transformation drive at Dialog which resulted in modernising and migrating mission critical applications and its entire Analytics Ecosystem to Cloud.

Mr. Perera holds a Bachelor of Computer Science and Engineering Degree from the University of Moratuwa, Sri Lanka and an MBA from the University of Edith Cowan, Australia. He was awarded Leader of the Year at the Dialog Awards in 2019.

Mr. Navin Pieris**Group Chief Officer -
Dialog Enterprise**

Mr. Navin Pieris is an ICT and telecommunications professional, and business leader with 24 years of experience, spanning multiple ICT management and leadership roles.

Mr. Pieris joined Dialog in 2005 after a career in Systems Integration with leading System Integrators, and has held multiple leadership roles in International Carrier Business, Mobile Telecommunications, Mobile Broadband, and Fixed Telecommunications.

In his role as the Head of Fixed Telecommunications, he was part of the leadership team that launched Sri Lanka's and the region's first fixed 4G services and Sri Lanka's first uptime Tier III certified data centre. Mr. Pieris holds a dual masters in the fields of General Management and Management Information Systems from Boston University School of Management, and a Bachelor of Science (BSc) summa cum laude in the fields of Business Administration, and Economics from Eastern Connecticut State University, USA.

Mr. Asanga Priyadarshana**Group Chief Corporate Officer**

Mr. Asanga Priyadarshana assumed responsibilities as the Group Chief Corporate Officer of Dialog Axiata PLC on 1 July 2025. He brings over two decades of experience in Corporate Strategy, FinTech, Sustainability, Governance, Risk Management, Cybersecurity and Data Privacy within the Telecommunications and Financial Service industries.

Mr. Priyadarshana began his career at Dialog in 2001 and has since held several key leadership roles, including Senior General Manager of Group Corporate Planning and Operational Strategy, Vice-President of Mobile Telecommunications, and Director / Chief Executive Officer of Dialog Finance PLC. In 2011, he was seconded to Axiata Group Berhad as Assistant Vice-President in the Group Chief Officer's Office, where he contributed to enhancing performance management and governance across Axiata's subsidiaries.

In his most recent role as Head of Sustainability and Group Chief of Risk and Compliance, Mr. Priyadarshana provided strategic oversight in Enterprise Risk Management, ESG / Sustainability, Data Privacy, and Cybersecurity Governance, reinforcing Dialog's unwavering commitment to responsible and ethical business practices.

He was recognised as the Dialog Leader of the Year in 2014 and represented Dialog as an Axiata Champion in 2013 and 2014, amongst the top 0.5% of elite performers across the Axiata Group.

Mr. Priyadarshana holds an MBA from The Australian National University, where he was awarded the MBA Convener's Prize for Academic Excellence, and a BSc in Electrical Engineering (Hons) from the University of Moratuwa, Sri Lanka. He is a Fellow Member of the Chartered Institute of Management Accountants (FCMA, UK) and a Fellow of the Association of Chartered Certified Accountants (ACCA, UK).

Corporate Management Team

Dr. Romesh Ranawana

Group Chief Analytics and AI Officer

Dr. Romesh Ranawana brings extensive experience in Analytics and Artificial Intelligence (AI) having worked across multiple industries. Prior to joining Dialog, he co-founded and served as the Chief Technology Officer and Managing Director of SimCentric Technologies (Pvt) Ltd., later founding and functioning as the Chief Technology Officer of Tengri UAV. Following successful exits from these companies, he established Enterprise Machine Learning (Pvt) Ltd., a consultancy firm advising multinational organisations on AI transformation.

Since joining Dialog as Group Chief Analytics and AI Officer, Dr. Ranawana has led the expansion of AI and analytics capabilities across the organisation, driving the adoption of AI-driven decision-making, personalisation and automation across business verticals. Under his leadership, Dialog has significantly advanced its AI Factory programme, operationalised large-scale AI deployments, and pioneered industry-first AI innovations. His role extends to shaping AI governance, building enterprise AI strategy, and fostering a culture of data-driven innovation.

Dr. Ranawana holds a DPhil in Artificial Intelligence from the University of Oxford and a First-Class Honours Degree in Computer Science from the University of Peradeniya. He also serves as the co-chair of the National AI Advisory Committee, playing a key role in shaping Sri Lanka's national AI strategy and broader digital transformation agenda.

Ms. Lim Li San

Group Chief Operating Officer

Ms. Lim Li San has been with the Axiata Group of Companies since 2015.

Before joining Dialog, Ms. Li San was the Group Head of Business Operations of Axiata Group Berhad, where she was responsible for portfolio performance management and board governance of all its operating companies. Within this role, she was part of the integration planning team for the Celcom-Digi merger in Malaysia and was Axiata's appointed Board Observer / Investment Manager for CelcomDigi Berhad. Additionally, she led the post-acquisition integration of PT LinkNet Tbk, a fixed broadband player in Indonesia. She was also a Non-Executive Director and Board Audit Committee Member at Smart Axiata Co. Ltd., the leading mobile service provider in Cambodia.

Prior to this, Ms. Li San headed the Group Chief Executive Officer's Office where she supported the President and Group Chief Executive Officer in strategy development, target setting for senior leaders, stakeholder engagement and strategic project management. Preceding that, she spent three years in Group Strategy where she led Group Research and spearheaded the annual long-term strategy exercise, competitive analyses, strategic projects, and M&A evaluation.

Before joining Axiata, Ms. Li San spent the formative years of her career with British American Tobacco where she took on various Finance leadership roles. Ms. Li San graduated in the top 0.5% from the University of South Australia with a Bachelor of Commerce and Applied Finance. She is a Certified Practising Accountant through CPA Australia and has completed her executive education with Harvard, INSEAD and IMD. Ms. Li San was awarded the Axiata Champion (Group Chief Executive Officer) Award in 2019 as well as the Axiata Senior Leadership Award in 2016 and again in 2021.

Ms. Sim Siew Shan

Group Chief Financial Officer

Ms. Sim Siew Shan assumed responsibilities as the Group Chief Financial Officer of Dialog Axiata PLC on 1 January 2026. Ms. Siew Shan is an accomplished finance and strategy leader with over two decades of experience spanning Aviation, Banking, Property, Hospitality, and Consulting. Renowned for her expertise in strategic financial leadership, crisis management, stakeholder engagement, and transformation initiatives, she has consistently delivered value through optimisation, operational resilience, and innovative financing solutions.

Previously, she served as Chief Financial Officer at AmBank Investment Bank and AirAsia Aviation Group in Malaysia. Her career also includes leadership positions at KLCC Property Holdings Berhad and Destination Resorts and Hotels, as well as over a decade at Ernst & Young, specialising in real estate and construction audits, listings, and mergers. She has been a professional member of the ACCA since 2001 and the Malaysian Institute of Accountants (MIA) since 2004. She served on the MASB Interpretation Committee (2021–2023) and is affiliated with ICDM and Lead Women.

Mr. Lasantha Theverapperuma**Group Chief Marketing Officer**

Mr. Lasantha Theverapperuma assumed duties as the Group Chief Marketing Officer of Dialog Axiata PLC on 1 February 2024. He has over twenty five years of experience in multiple functions including finance, operations, business control, strategy, transformation, and business management spanning industries across Telecommunications, Leisure, Distribution, Shipping, Printing, Software, Consultancy, and Audit.

Mr. Theverapperuma started his career at Dialog in 2004 as Manager - Finance Operations and has held multiple roles including Head of Mobile Business and Vice-President Corporate Planning before being seconded to Axiata Group Berhad in February 2017 as the Head of Strategy for the Axiata Group. Following his Axiata assignment, Mr. Theverapperuma was appointed as the Group Chief Digital Officer in November 2018, successfully leading Dialog's digital transformation. In September 2020, Mr. Theverapperuma assumed the role of Group Chief Operating Officer, where he played a vital role in strengthening the leadership position across all core business units during challenging times.

Mr. Theverapperuma is a Fellow of the Institute of Chartered Accountants of Sri Lanka. He holds a Bachelor of Science Special Degree in Accountancy from the University of Sri Jayewardenepura, Sri Lanka and an MBA from the University of Edith Cowan, Australia. He also completed the Stanford Executive Programme in 2024.

Ms. Rekha Weerasooriya**Group Chief People Officer**

Ms. Rekha Weerasooriya assumed duties as the Group Chief People Officer at Dialog Axiata PLC on 1 June 2025, following her return from a secondment at Axiata Group Berhad, Kuala Lumpur, Malaysia, where she served as the Head of People Capability, driving the group-wide Talent and Succession and Workforce Capability project for the Corporate Centre and the M&A People Governance Circle.

Before her secondment, Ms. Weerasooriya was the Vice-President – HR Transformation at Dialog Axiata PLC, leading HR and Organisation Transformation. With over 26 years of experience, she has handled multiple roles across the organisation in HR and Customer Experience (B2C and B2B).

Ms. Weerasooriya serves on several boards, including the APAC Board of Advisors of the HRO Today Association, the Customer Institute Board, and the CX Network Advisory Board.

Ms. Weerasooriya is a Certified Happiness Coach from the Berkeley Institute of Well-Being, California; a Certified Trainer from City and Guilds, UK; and a Certified Lean Six Sigma Black Belt professional. She holds an MBA from Buckinghamshire New University, UK.

Catalysing Smart Agriculture with Govi Mithuru AI

In 2025, Dialog strengthened Sri Lanka's agricultural ecosystem through Govi Mithuru AI, the nation's first AI-enabled agriculture advisory platform. Designed to support farmers and home gardeners alike, the platform combines artificial intelligence with deep agricultural expertise to deliver timely, relevant and practical guidance.

Accessible in Sinhala, Tamil, and English via voice and chat, Govi Mithuru AI empowers users with insights on cultivation, pest management, crop health and sustainable practices. By enabling more informed decision-making, it is catalysing progress across farming communities, enhancing productivity, supporting livelihoods and shaping a more resilient future for Sri Lankan agriculture.



Strategic Report

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How We Create Value: Building Digital Ecosystems



Vision:

To be the undisputed leader in the provision of multi-sensory connectivity resulting always, in the empowerment and enrichment of Sri Lankan lives and enterprises.



Mission:

To lead in the provision of technology enabled connectivity touching multiple human senses and faculties, through committed adherence to customer-driven, ethical, responsive and flexible business processes, and through the delivery of quality service and leading edge technology unparalleled by any other, spurred by an empowered set of dedicated individuals who are driven by an irrepressible desire to work as one towards a common goal in the truest sense of team spirit.

Strategy



Value Leadership

Financial performance and sustainable returns

Inputs

Financial Capital

Financial assets, liabilities and equity

- + Rs. 275 Bn total assets
- + Rs. 90 Bn equity
- + Rs. 76.5 Bn borrowings
- + Strong financial management procedures



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Human Capital

The Dialog team

- + 2,865 employees
- + Rs. 50 Mn investment in training
- + Robust HR procedures and governance



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Social and Relationship Capital

Relationships that drive our success

- + 22.3 Mn subscribers
- + 42 distributors
- + > 95,000 retailers
- + 9,092 active suppliers
- + Joint ventures and partnerships



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How We Create Value



Mobile

Connecting people through mobile services and enabling access to a wide range of digital services that enhance the everyday lives of Sri Lankans.



Fixed Broadband

Providing fixed broadband and international gateway services, connecting homes, businesses and institutions through high-speed networks and enabling access to information, services and global connectivity.



Television

Delivering digital television services across satellite, cable and terrestrial platforms, providing access to news, entertainment and educational content to households across Sri Lanka.

Dialog 5A Framework:

Availability

Affordability

Solid Foundations:

Sound Corporate Governance

Systemic Risk Management

Output

- + Rs. 179.6 Bn revenue
- + Rs. 27 Bn profit before tax

- + 38 hours of training per employee
- + 130 promotions
- + 9pp improvement in Employee Engagement Score

- + 19.6 Mn mobile subscribers
- + 1.1 Mn fixed broadband customers
- + 1.6 Mn television customers
- + 48pp touchpoint NPS

Outcomes to Stakeholders



To Customers

- + Enhanced digital lifestyles and experiences
- + Greater accessibility and convenience



To Shareholders

- + Rs. 9 Bn paid as dividends
- + Rs. 167 Bn increase in market capitalisation
- + Rs. 9.78 net assets per share
- + Rs. 2.26 earnings per share



To Other Providers of Financial Capital

- + Rs. 8.5 Bn interest paid
- + Rs. 95 Bn loan repayments



To Suppliers and Business Partners

- + Rs. 145.1 Bn paid to local suppliers
- + Long-term business growth opportunities



Market Leadership

Customer, brand and market position



Product and Quality Leadership

Customer-driven product quality and experience



Corporate Leadership

People, ESG and organisational transformation

Manufactured Capital

Infrastructure



- + Rs. 142 Bn property, plant and equipment
- + 5,509 network sites
- + 6,872 km fibre network
- + 3 submarine cables

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Natural Capital

Materials, energy, water and biodiversity



- + Commitment to achieve Net Zero by 2050
- + 1,067 solar-powered network sites
- + ISO 14001-certified environmental management systems

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Intellectual Capital

Digital platforms, innovation and organisational knowledge



- + Rs. 42 Bn intangible assets
- + AI-enabled technology platforms and digital capabilities
- + Strong brand equity and specialist expertise

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Digital Services and Payments

Enabling digital lifestyles through mobile and eCommerce, fintech, healthtech, edutech, value-added services and mobile payment solutions.



Enterprise and Other Services

Delivering enterprise ICT solutions including cloud and data centre services, cybersecurity, Internet of Things (IoT), converged communication and software solutions. Also includes device ecosystems, smart home solutions and venture capital investment activities via Dialog Innovation Fund.



Telecommunication Infrastructure Services

Providing underlying network infrastructure and transmission services that support connectivity.

Applicability

Affinity

Amplification

Financial Discipline

Organisation Culture

- + 2.8 Mn TB data usage (mobile and fixed)
- + 98.91% mobile coverage
- + 97.53% broadband coverage
- + 100% TV coverage

- 132,195.41 MTCO₂e total emissions
- 12.56% decrease in emissions intensity
- + 6,090.473 mWh of renewable energy generated

- + 15+ new products and services launched
- + Launch of Dialog AI and Govi Mithuru AI platforms



To Employees

- + Rs. 14.9 Bn as remuneration and rewards
- + Career growth and development opportunities



To Government

- + Rs. 11.1 Bn paid as direct taxes
- + Rs. 43.6 Bn collected as indirect taxes and paid
- + Collaboration on disaster management
- + Rs. 24.8 Bn invested in country's telecommunication infrastructure in 2025
- + Support for digital and financial inclusions leveraging technology

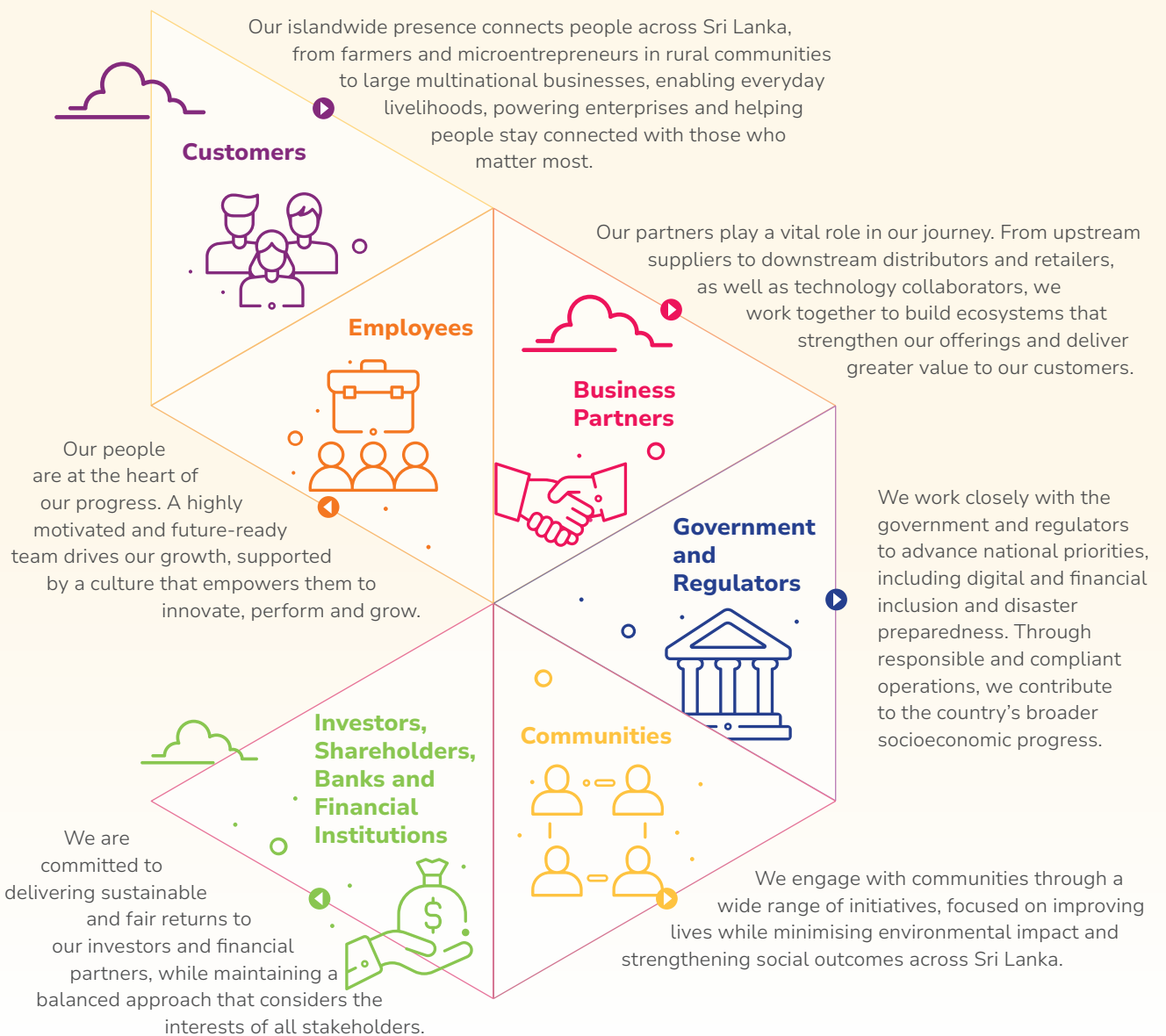


To Society

- + Over Rs. 420 Mn for disaster relief
- + Rs. 446 Mn community investment
- + Expanded access to digital inclusion initiatives

Stakeholder Engagement

Balancing stakeholder interests is central to Dialog’s sustainable growth and long-term performance. Through ongoing, structured engagement, we seek to understand the perspectives and expectations of our stakeholders. These insights inform our strategic priorities and guide our actions, enabling us to create sustainable value while contributing to a more connected and inclusive digital future.



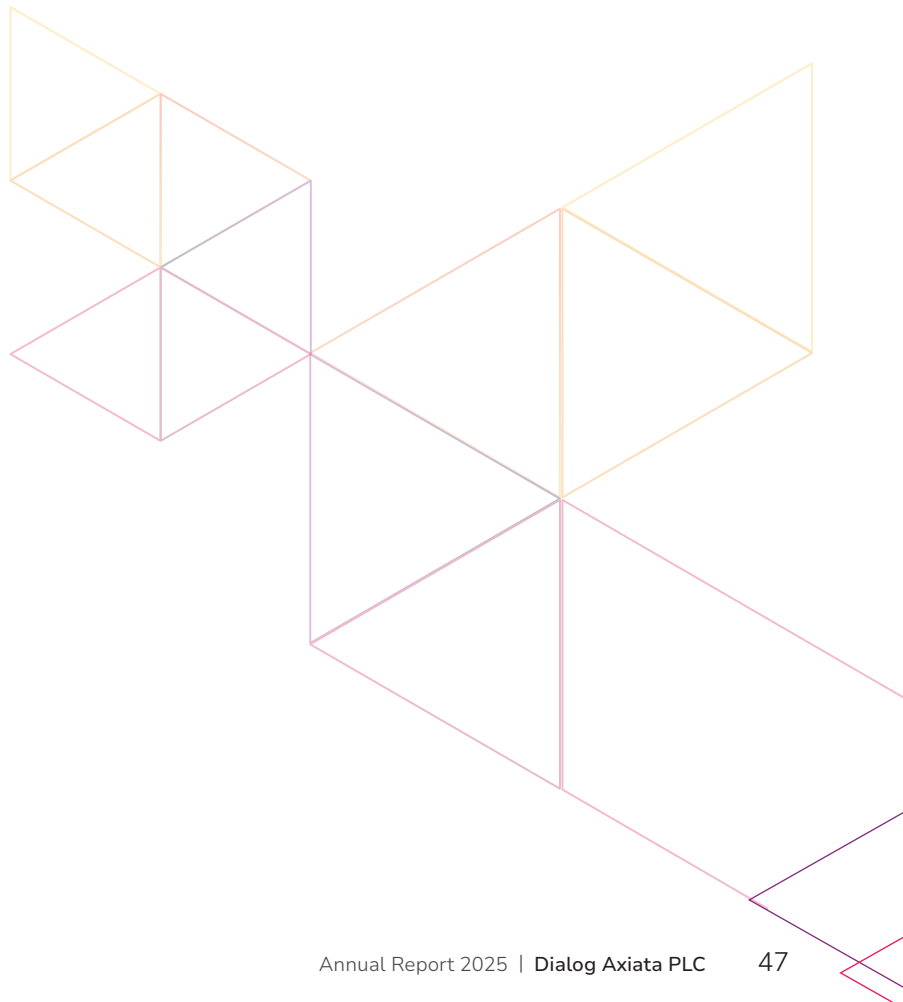
Stakeholder concerns are a key input to the Group's strategic planning process, and access to reliable information is essential in translating strategy into action. We therefore focus on sharing timely, relevant information with stakeholders while strengthening our mechanisms for receiving their feedback. The insights gathered help us identify areas for improvement, opportunities for differentiation and necessary refinements to our strategy and operating model. We also seek independent third-party assurance, where appropriate, to validate key concerns and enhance the objectivity of our assessments.

How we engage	Frequency	Key areas of interest for stakeholders	More information	Related Material Topics
Customers				
<ul style="list-style-type: none"> Digital means (mobile app / web / social media) Customer interaction and support infrastructure Retail distribution network Customer loyalty and reward schemes (e.g. Club Vision, Star Points) Enterprise customer account managers 	Ongoing	<ul style="list-style-type: none"> Performance and business continuity Ethical marketing and operations Product and service quality Product innovation Customer privacy Pricing and affordability Product and service choice 	Social and Relationship Capital on page 97	<ul style="list-style-type: none"> Customer Satisfaction and Relationships Innovation Network Quality and Expansion Digital and Financial Inclusion Cybersecurity and Data Privacy Competitive Behaviour and Open Internet
<ul style="list-style-type: none"> Net Promoter Score Survey Independent Stakeholder Engagement Survey 	Annual	<ul style="list-style-type: none"> Greater inclusivity Ethical and compliant use of Personally Identifiable Information (PII) Ease of doing transactions 		
Employees				
<ul style="list-style-type: none"> Mobility and employee onboarding to exit interviews Employee communications (emails / shared portal) Quarterly town halls Performance management and one-to-one engagements Whistleblower mechanism Learning and development and mandatory training Talent development initiatives 	Ongoing	<ul style="list-style-type: none"> Job security Job satisfaction and opportunities for growth Training and development opportunities Fair remuneration and benefits Gender diversity and inclusivity in the workplace (DEI) Employee health, safety, and well-being 	Human Capital on page 80	<ul style="list-style-type: none"> Corporate Governance and Business Ethics Economic Performance Diversity and Non-Discrimination Employee Competence Occupational Health, Safety, and Well-Being Labour Practices and Standards
<ul style="list-style-type: none"> Employee touch point surveys (ESAT, eNPS and Employee Effort Score) 	Quarterly	<ul style="list-style-type: none"> Work-life balance 		
<ul style="list-style-type: none"> Annual staff engagement events (e.g. Dialog Awards / conventions / reward and recognition events / cultural celebrations / welfare society) Employee engagement survey conducted by the Axiata Group 	Annually	<ul style="list-style-type: none"> Financial aid for personal emergencies 		

Stakeholder Engagement

How we engage	Frequency	Key areas of interest for stakeholders	More information	Related Material Topics		
Business Partners						
<ul style="list-style-type: none"> • Retailer loyalty programmes • Distributor, retailer, and supplier site assessments 	Ongoing	<ul style="list-style-type: none"> • Performance and business continuity • Timely payments 	Social and Relationship Capital on page 97	<ul style="list-style-type: none"> • Compliance • Innovation • Economic Performance • Responsible Procurement 		
<ul style="list-style-type: none"> • Distributor and supplier engagement and recognition • Progress Review 	Quarterly	<ul style="list-style-type: none"> • Ease of doing business • Effective grievance mechanism 				
<ul style="list-style-type: none"> • Independent Stakeholder Engagement Survey conducted locally • Progress Review 	Annually	<ul style="list-style-type: none"> • Cybersecurity management • Fair and transparent procurement practices • Digitisation of operations and digital inclusion • Policies on anti-corruption 				
Community						
<ul style="list-style-type: none"> • Regular one-on-one engagements • Entertainment and general events • Press releases • Social media and website 	Ongoing	<ul style="list-style-type: none"> • Corporate governance and ethical corporate behaviour • Environmental and social sustainability • Ethical marketing • Cybersecurity 			Social and Relationship Capital on page 97	<ul style="list-style-type: none"> • Corporate Governance and Business Ethics • Compliance • Environmental Performance and Climate Action • Community / Society
<ul style="list-style-type: none"> • Independent Stakeholder Engagement Survey conducted locally 	Annually	<ul style="list-style-type: none"> • Customer privacy and digital responsibility • Community investments • Anti-corruption 				
Shareholders						
<ul style="list-style-type: none"> • CSE disclosures and media releases • Extraordinary shareholders meetings 	As deemed necessary	<ul style="list-style-type: none"> • Performance and business continuity • Corporate governance • ESG integration into business • Innovation 	Chairman's and Group Chief Executive's Messages on page 18 and 22	<ul style="list-style-type: none"> • Corporate Governance and Business Ethics • Compliance • Economic Performance • Environmental Performance and Climate Action 		
<ul style="list-style-type: none"> • Quarterly financial reporting to CSE • Earnings calls with local and foreign analysts 	Quarterly					
<ul style="list-style-type: none"> • Investor Forum • Annual General Meeting of Shareholders 	Annually		DIAL Share Information on page 72	<ul style="list-style-type: none"> • Managing Systemic Risks • Competitive Behaviour and Open Internet 		
			Financial Capital on page 75			
			Financial Statements on page 193			

How we engage	Frequency	Key areas of interest for stakeholders	More information	Related Material Topics
Regulators				
<ul style="list-style-type: none"> Continuous active engagement across scope of operations Regular reporting and information exchange License renewals White papers and presentations 	<p>Ongoing</p> <hr/> <p>As deemed necessary</p>	<ul style="list-style-type: none"> Financial performance and business continuity Corporate governance Transparency and credibility of disclosures Ongoing shareholder engagement Tax revenue Inclusion and quality of service Risk management Consumer protection Industry sustainability and competition 	<p>Our Socioeconomic Impact on page 12</p> <p>Corporate Governance Report on page 148</p>	<ul style="list-style-type: none"> Corporate Governance and Business Ethics Compliance Economic Performance Cybersecurity and Data Privacy Competitive Behaviour and Open Internet



Determining Materiality

GRI 3 3-1, 3-2

In determining the material topics that need to be included in the Annual Report, Dialog has been guided by the provisions set out in SLFRS S1 and GRI 3: Material Topics 2021 to ensure that the report contains only information that is useful to investors and key stakeholders.

Information is material if omitting, misstating or obscuring that information could reasonably be expected to influence decisions that primary users of general purpose financial reports make on the basis of those reports, which include financial statements and sustainability-related financial disclosures and which provide information on about a specific reporting entity.

– SLFRS S1

Our Process



1
Step

Preparing the long list

A comprehensive list of potential material topics was prepared using our knowledge of the business and the sustainability context. This is supplemented and aligned to requirements of voluntarily adopted sustainability reporting standards. We have used the following standards to prepare this list:

- ▶ GRI Standards
- ▶ SASB Standard for Telecommunication Services
- ▶ SASB Standard for Consumer Finance (New)
- ▶ SASB Standards for Telecommunications Services
- ▶ GSMA for Mobile Standards

The two new SASB standards added reflect the growing importance of Dialog Finance PLC.

2
Step

Workshop to determine material topics

A workshop was conducted with an external facilitator to determine the material topics. Participants were carefully selected to represent stakeholder interests and organisation perspectives. The purpose of the workshop and the need to determine material matters were discussed with the participants prior to conducting the exercise.

Each participant was asked to score the long list from the perspective of the stakeholder or organisation in accordance with their roles. This was followed by a group discussion to reach consensus through deliberation, looking at materiality through stakeholder impact and organisational impact lenses. The participants also considered the need to add other criteria and the need to aggregate or disaggregate topics although they agreed that the long list was comprehensive.

3
Step

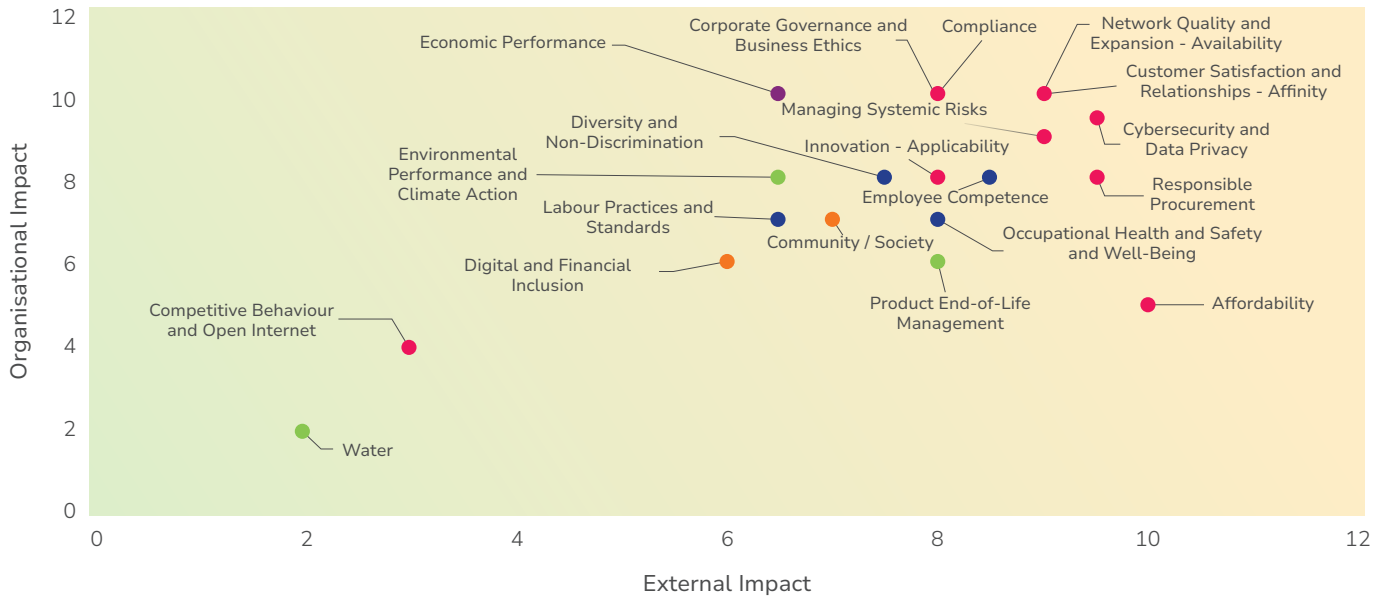
Review and approval of the prioritised list of topics

The prioritised list of material topics was reviewed by the Sustainability team and submitted to the Risk and Compliance Management Committee (RCMC) and the Board Risk and Compliance Committee (BRCC) for their approval.




Our Material Topics

Dialog's assessment of the list of material topics is set out below:












● Environment ● Social ● Governance ● Economic ● Business



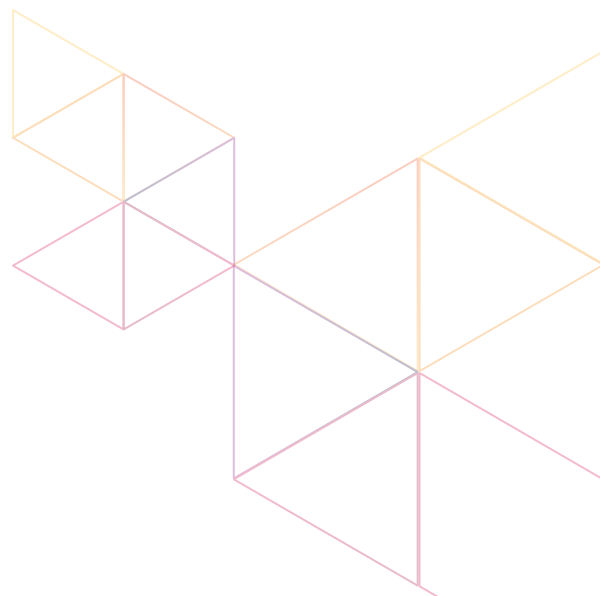
The mapping of material topics to the relevant standards is set out below:

	Material Topics	SDG Targets	GRI Relevance	SASB Telecommunication Services	GSMA	More Information
1	● S Customer Satisfaction and Relationships - Affinity					Social and Relationship Capital on page 97
2	● E Network Quality and Expansion - Availability					Manufactured Capital on page 123
3	● G Corporate Governance and Business Ethics		GRI 2			Corporate Governance Report on page 148
4	● G Compliance		GRI 205			Risks and Opportunities on page 170
5	● S Cybersecurity and Data Privacy		GRI 418	TC-TL-230a.1, 230a.3, 230a.4		Risks and Opportunities on page 170
6	● G Managing Systemic Risks			TC-TL-550a.1, 550a.2		Risks and Opportunities on page 170
7	● S Responsible Procurement		GRI 204 GRI 308 GRI 408 GRI 414			Social and Relationship Capitals on page 97
8	● E Economic Performance		GRI 201			Financial Capital on page 75
9	● S Employee Competence		GRI 401 GRI 404			Human Capital on page 80

Determining Materiality

	Material Topics	SDG Targets	GRI Relevance	SASB Telecommunication Services	GSMA	More Information
10	E Innovation - Applicability		GRI 203			Intellectual Capital on page 139
11	S Diversity and Non-Discrimination	 	GRI 405 GRI 406			Human Capital on page 80
12	S Occupational Health and Safety and Well-Being	 	GRI 403			Human Capital on page 80
13	E Affordability					Social and Relationship Capital on page 97
14	E Environmental Performance and Climate Action	  	GRI 302 GRI 303 GRI 305	TC-TL-130a.1	GSMA-ENV-02, 03	Natural Capital on page 129
15	S Community / Society					Social and Relationship Capital on page 97
16	S Selling Practices of Financial Services					Social and Relationship Capital on page 97
17	S Labour Practices and Standards					Human Capital on page 80
18	S Digital and Financial Inclusion		GRI 413		GSM-AINC-02, 03	Social and Relationship Capital on page 97
19	E Product End-of-Life Management		GRI 306	TC-TL-440a.1	GSMA-ENV-04, 05, 06	Natural Capital on page 129
20	G Competitive Behaviour and Open Internet			TC-TL-520a.1, 520a.2		Corporate Governance Report on page 148

While SDGs are mapped to material topics in the above table, Dialog's sustainability focus is centred on the five SDGs outlined in the Group's Sustainability Framework on page 110.

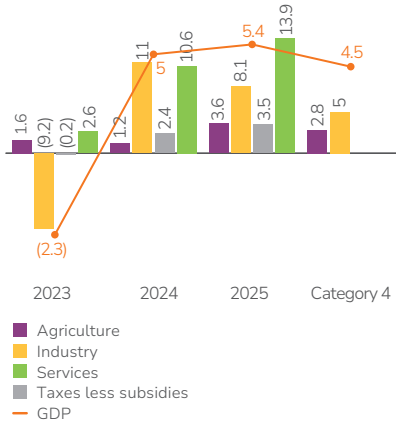


Operating Environment

Sri Lanka's economy continued its recovery in 2025, supported by improved macro-economic stability and policy continuity. Real GDP grew by approximately 5%, marking a second consecutive year of expansion, with contributions across industry, services and agriculture. Industrial activity, particularly manufacturing and construction, remained a key growth driver, while services benefited from stronger performance in financial services and transport-related activities.

Inflation, which had been subdued, moved into positive territory towards the latter part of the year, while lower interest rates supported a gradual recovery in private sector credit. In addition, external sector performance strengthened, with sustained inflows from workers' remittances and services exports contributing to a continued current account surplus. Furthermore, the financial sector showed continued signs of strengthening, with improvements in profitability, asset quality and capital adequacy. Progress in debt restructuring, alongside continued engagement under the IMF-supported programme, contributed to improved confidence and stability. Nevertheless, the operating environment remained exposed to external uncertainties, including global geopolitical developments and climate-related risks.

GDP Growth



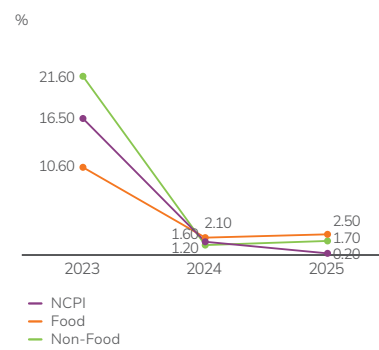
Source: Department of Census and Statistics Sri Lanka, National Accounts Estimates 2025 - Annual Provisional Report

Stable Inflation

Inflation in Sri Lanka during 2025 remained contained, reflecting a gradual transition from the deflationary conditions experienced in the latter part of 2024. Price levels were subdued at the start of the year under review, however conditions began to normalise as the year progressed, with inflation returning to positive territory by the second half of the year.

This shift was supported by easing price declines in key categories and a gradual recovery in domestic economic activity. Overall inflation trends were shaped largely by supply-side factors, particularly movements in food and energy prices, alongside improving demand conditions. While some volatility was observed during the year, including a temporary uptick in prices towards the end of the year, inflation remained at moderate levels.

Inflation



Source: Central Bank of Sri Lanka, Monthly Economic Indicators (2023–2025)

Material Matters Affected

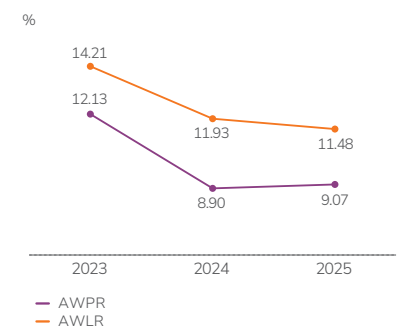
- Affordability
- Economic Performance
- Digital and Financial Inclusion

Interest Rates

Interest rates in Sri Lanka continued to ease in 2025. The policy rate was reduced marginally by 25 basis points during the year, reinforcing the downward trend in market rates. Deposit rates declined on average, with the Average Weighted Deposit Rate (AWDR) and Average Weighted Fixed Deposit Rate (AWFDR) falling by around 75 and 86 basis points, respectively. These movements helped lower borrowing costs and improved access to credit for businesses and individuals.

Towards the latter part of the year, however, some upward movement was observed, particularly in short-term rates, linked to stronger credit demand and increased competition among banks to mobilise deposits. As a result, new fixed deposit rates rose by approximately 45 basis points during the year, with a slight uptick also seen in overall deposit rates towards year-end.

Lending Rates



Source: Central Bank of Sri Lanka, Monthly Economic Indicators (2023–2025)

Material Matters Affected

- Economic Performance
- Affordability
- Managing Systemic Risks

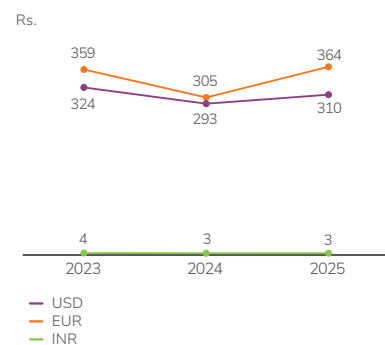
Operating Environment

Exchange Rates

The Sri Lankan rupee weakened against the US dollar in 2025, reversing the appreciation seen in the previous two years. The currency moved from around Rs. 292.58 to Rs. 309.99 per US dollar by the end of the year, reflecting a depreciation of approximately 5.6%. This was largely driven by higher import demand, particularly following the relaxation of vehicle import restrictions, which increased pressure on foreign exchange outflows. As a result, the exchange rate adjusted in line with underlying demand conditions in the market.

External inflows continued to provide a degree of support. Earnings from tourism, workers' remittances and exports contributed to improved foreign exchange availability, helping to moderate volatility in the currency. Despite this, the rupee also weakened against other major currencies during the year, reflecting broader global currency movements.

Exchange Rates



Source: Central Bank of Sri Lanka, Monthly Economic Indicators (2023–2025)

Material Matters Affected

- Economic Performance
- Managing Systemic Risks
- Network Quality and Expansion - Availability

Geopolitical Risk

Geopolitical risks remained elevated in 2025, driven by ongoing global tensions and evolving international alliances. Continued instability in the Middle East, alongside the prolonged Russia-Ukraine conflict, contributed to volatility in global energy markets and supply chains.

At the same time, changes in global trade policies, including tariffs and trade restrictions, influenced international trade dynamics and economic stability. These developments created both risks and opportunities for sectors such as telecommunications and technology.

As an open economy, Sri Lanka remained exposed to these external pressures, resulting in continued uncertainty in the operating environment. In response, the Group strengthened its focus on supply chain resilience, strategic vendor partnerships, and risk management frameworks to support operational stability.

Material Matters Affected

- Managing Systemic Risks
- Responsible Procurement
- Economic Performance

Climate Change

Climate-related developments had a more visible impact on Sri Lanka's economy in 2025, particularly towards the latter part of the year. Increasing variability in rainfall and weather patterns continued to affect key sectors, with agriculture, energy and transport experiencing periodic disruptions. These conditions influenced food supply, contributed to short-term price pressures and affected overall production cycles.

The situation was compounded by the impact of Cyclone Ditwah, which caused widespread damage to infrastructure, disrupted supply chains and affected livelihoods across several regions. The effects of these disruptions were felt across multiple areas of the economy. Agricultural output in certain segments was affected, while transport and logistics networks experienced temporary setbacks, influencing the movement of goods and services. There were also implications for essential services, including power and connectivity, highlighting the exposure of critical infrastructure to extreme weather events. Such disruptions contributed to short-term increases in food prices and affected economic activity in the impacted regions. The Group continues to identify, assess, and monitor environmental risks and broader climate-related impacts as part of its sustainability and risk management approach.

Material Matters Affected

- Environment Performance and Climate Action
- Network Quality and Expansion - Availability
- Managing Systemic Risks
- Economic Performance

Legal and Regulatory

5G spectrum was auctioned for the first time in Sri Lanka by the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) on 18 December 2025. The auction included 2 lots of 200 MHz in the 3500 MHz spectrum band and 2 lots of 400 MHz in the 27 GHz spectrum band. Dialog successfully secured 100 MHz in the 3500 MHz spectrum band (3400–3500 MHz) and 200 MHz in the 27 GHz spectrum band (27200–27400 MHz).

On 9 May 2025, Dialog and Dialog Broadband Networks (DBN) entered into supplementary investment agreements with the Board of Investment of Sri Lanka, committing a cumulative investment of USD 181 million by Dialog and USD 19 million by DBN over a period of three years.

The Personal Data Protection Act, which was passed in 2022 to regulate the processing of personal data and strengthen the protection of data subjects, is yet to be fully implemented.

Material Matters Affected

- Compliance
- Corporate Governance and Business Ethics
- Cybersecurity and Data Privacy
- Network Quality and Expansion - Availability
- Competitive Behaviour and Open Internet

Telecommunications Sector

Sri Lanka’s telecommunications sector continued to support growing demand for digital connectivity and services in 2025. Mobile connections reached 29.5 million, translating to a penetration rate of over 135%, while fixed access connections stood at approximately 2.6 million.

Broadband usage remained predominantly mobile-driven, with nearly 22 million mobile broadband subscriptions compared to just under 2 million fixed broadband connections. Data consumption exceeded 1.29 million terabytes in Q4 2025, driven largely by mobile usage. Smartphones accounted for more than 70% of end-user devices, reflecting continued growth in digital platforms and services. Within fixed connectivity, LTE accounted for over 58% of access connections, alongside continued fibre expansion. Sustained investment in network capabilities and early adoption of 5G technologies reflected rising demand for high-speed digital services, amid increasing expectations around affordability, service quality and digital inclusion.

Source: Telecommunications Regulatory Commission of Sri Lanka (TRCSL), Telecom Statistics of Sri Lanka – Q4 2025

Material Matters Affected

- Network Quality and Expansion - Availability
- Digital and Financial Inclusion
- Innovation - Applicability
- Customer Satisfaction and Relationships - Affinity

Consumer Trends

The telecommunications sector in 2025 operated within a complex global economic environment characterised by heightened geopolitical tensions and their consequential impact on consumer behaviour and purchasing power. Rising inflationary pressures, driven by ongoing international conflicts and trade policy adjustments, have influenced customer decision-making processes and service consumption patterns.

In response to these market dynamics, we have observed a pronounced shift toward value-conscious consumption, with customers increasingly prioritising cost-effective solutions and flexible service offerings. This evolving landscape has reinforced our commitment to developing innovative, accessible products that deliver exceptional value while meeting diverse customer needs across all market segments.

Material Matters Affected

- Customer Satisfaction and Relationships - Affinity
- Affordability
- Digital and Financial Inclusion

Operating Environment

Technology

The telecommunications industry continued to evolve rapidly in 2025, driven by advancements in Artificial Intelligence (AI), cloud computing, and the Internet of Things (IoT).

AI was increasingly applied across network optimisation, predictive maintenance, customer experience management, and fraud detection. Cloud-based platforms supported the expansion of enterprise digital solutions and scalable service delivery, while IoT adoption grew across sectors such as agriculture, utilities, transport, and logistics.

Developments in Low Earth Orbit satellite connectivity also gained traction globally, with the potential to extend connectivity to underserved and remote regions. At the same time, rising demand for high-bandwidth applications, including video streaming and immersive digital experiences, continued to drive investment in network capacity, automation, and efficiency improvements.

5G

The year 2025 marked a significant milestone in Sri Lanka's telecommunications landscape with the Government's official awarding of 5G spectrum on 19 December 2025. This development represents a key advancement in the national digital transformation agenda and enables the progression of next-generation connectivity infrastructure.

The introduction of 5G is expected to enhance network capacity, reduce latency, and support the growth of advanced digital applications across industries. Over time, it is anticipated to contribute to innovation, productivity improvements, and broader digital inclusion.

Material Matters Affected

- Innovation - Applicability
- Network Quality and Expansion - Availability
- Customer Satisfaction and Relationships - Affinity
- Cybersecurity and Data Privacy

Digital Economy

The Sri Lankan Government continued to advance the digital economy through policy and regulatory initiatives, including the awarding of 5G spectrum and the implementation of the National Digital Policy for Sri Lanka 2020–2025. This policy framework outlines key principles and a roadmap to support sustainable economic development through digital transformation.

The recognition of telecommunications infrastructure as a key enabler of digital growth has strengthened the foundation for innovation and industry expansion. Government leadership has also emphasised the role of 5G technology in accelerating national economic development.

The Group's alignment with these national priorities positions it to support Sri Lanka's digital transformation journey while creating long-term value for stakeholders.

Material Matters Affected

- Digital and Financial Inclusion
- Economic Performance
- Innovation - Applicability
- Network Quality and Expansion - Availability

Our Strategy

Guided by Dialog's Vision, Mission and Values, our strategy is built on a balanced and integrated approach across financial value creation, customer and market leadership, product and quality excellence, and strong corporate leadership. This ensures near-term performance is delivered without compromising long-term sustainability and responsibility.

Our strategic priorities are executed across three aspects:

- **Business Growth** – delivering sustainable financial outcomes
- **Must Win Battles** – protecting and strengthening the core and capturing opportunity
- **Create the Future** – investing to shape long-term growth

This approach enables a clear distinction between hygiene enablers required to defend leadership and priority winning strategies that differentiate Dialog in a rapidly evolving digital landscape.

Value Leadership

Financial performance and sustainable returns

Value leadership remains central to Dialog's strategy, ensuring the Group continues to generate industry leading returns while maintaining financial resilience.

- Targeted growth in revenue, EBITDA, earnings and cash generation
- Disciplined capital allocation aligned to strategic priorities
- Strong focus on sustainable growth and balance sheet strength
- Funding future investments while protecting shareholder value

This pillar underpins Dialog's ability to invest confidently in network, digital platforms and future capabilities.

Market Leadership

Customer, brand and market position

Market leadership is driven by a consistent focus on customer trust, relevance and brand strength across consumer, enterprise and SME segments.

- Defend and grow leadership in mobile, home and enterprise
- Strengthen brand loyalty through service excellence and reliability
- Protect market position through number portability defence and targeted retention
- Expand reach through relevant, inclusive and affordable propositions, guided by the 5A framework

These priorities represent core hygiene requirements essential to sustaining Dialog's leadership position.

Product and Quality Leadership

Customer driven product quality and experience

Product and quality leadership is anchored in a customer driven approach to innovation, service delivery and experience management.

- Set benchmarks in network performance, product quality and service reliability
- Embed customer insights into product design and customer experience improvement
- Leverage technology, analytics and automation to improve customer experience
- Ensure innovation translates into practical and scalable outcomes

This pillar ensures that technology leadership directly enhances customer value and satisfaction.

Corporate Leadership

People, ESG and organisational transformation

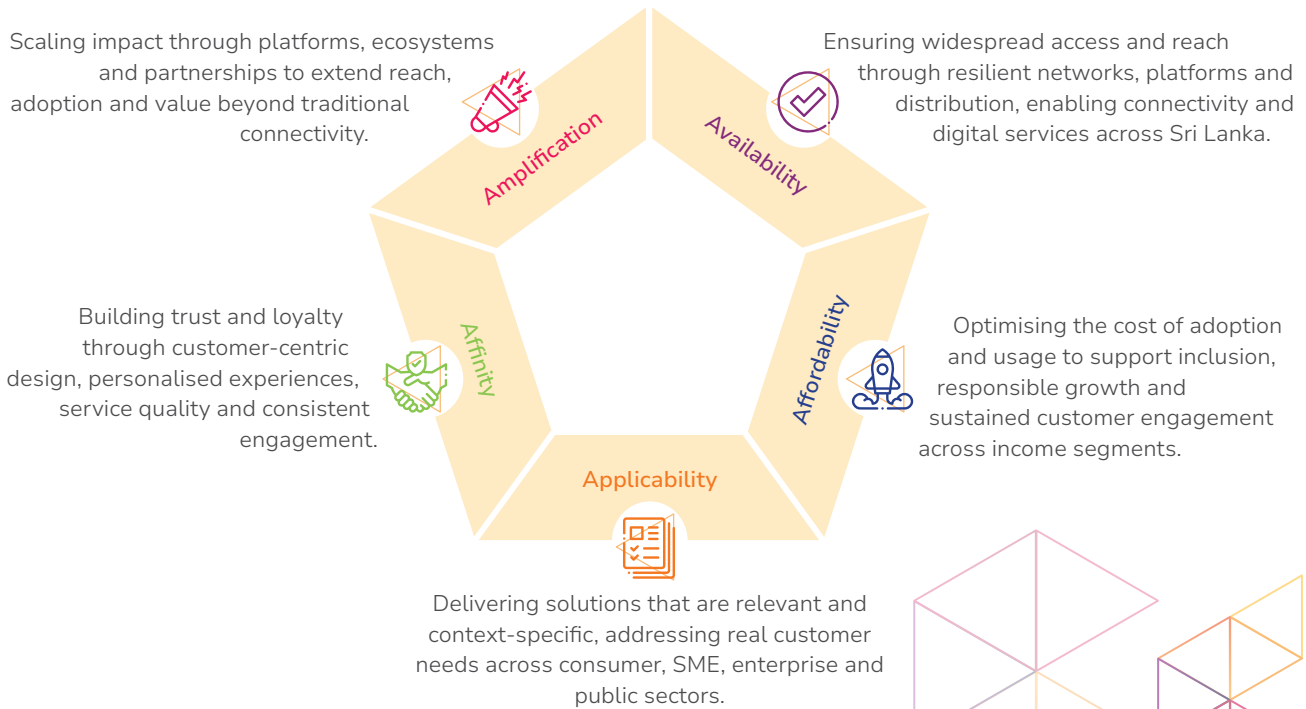
Corporate leadership enables long-term resilience by strengthening people, governance, sustainability and the operating model. Key focus areas include:

- People and culture: leadership development, capability building and performance excellence
- Organisational and operating model transformation, including:
 - Agile and simplified structures
 - Progression towards an AI-native organisation, embedding AI across operations, decision-making and customer engagement
- ESG and sustainability:
 - Commitment to Net Zero
 - Responsible business practices, inclusion and community impact
 - Strong governance, ethics and risk management

This pillar ensures Dialog fulfils its broader responsibilities while building the foundations required for future growth.

Our Strategy

Dialog executes its business strategy through the 5A framework, ensuring relevance, inclusion and scalability across customer segments and national priorities.



Business Planning Process

Our planning horizons are defined as:

- 1 year**
Short-Term
- 3 year**
Medium-Term
- 5 year**
Long-Term

Dialog follows a structured and disciplined business planning process to translate its strategic priorities into executable plans, while ensuring strong governance, alignment with Group direction and effective capital allocation. The process integrates strategy formulation, long-range planning, financial planning, capital prioritisation and performance management, enabling alignment between long-term ambition and near-term execution, while remaining responsive to changes in the operating environment. The key components of our process are as follows:

Strategic Context and Long-Range Planning	<p>Dialog regularly reviews its Long-Range Plan (LRP) and assumptions to ensure alignment with Group strategy, using up-to-date environmental analysis. This includes evaluating macroeconomic trends, industry and competitive factors, regulatory changes, and stakeholder interests, ensuring strategic decisions remain relevant and resilient.</p>
Top-Down Aspirations and Bottom-Up Planning	<p>The business planning process combines a top-down and bottom-up approach.</p> <ul style="list-style-type: none"> • Top-down, Dialog sets strategic and financial aspirations aligned to Group expectations, informed by global and best-in-class benchmarking to define ambition and performance thresholds. • Bottom-up, Business Units develop detailed plans reflecting market realities, operational capabilities and execution constraints. <p>The interaction between these perspectives enables management to identify gaps, prioritise trade-offs and define key bridging strategies required to close the gap between aspiration and delivery.</p>

<p>Strategy and Financial Development</p>	<p>Business Unit plans are developed within a common framework, covering strategic priorities, revenue drivers, cost assumptions and key initiatives. These are consolidated into an integrated Group business plan, supported by aligned profit and loss, cash flow and balance sheet projections.</p> <p>Iterative management review and challenge sessions ensure coherence, financial discipline and alignment across business units and corporate functions.</p>
<p>Capital Planning and Rationalisation</p>	<p>Capital planning is embedded within the business planning cycle to ensure that investments are strategically aligned, prioritised and value-accretive.</p> <p>Capital allocation decisions are guided by:</p> <ul style="list-style-type: none"> ▶ Alignment with business objectives and strategic focus areas ▶ Return expectations and affordability ▶ Network, technology and growth priorities <p>Through this process, Dialog undertakes capital rationalisation, ensuring resources are directed to the most critical initiatives and that investment decisions are consistently aligned across internal stakeholders.</p>
<p>Governance, Review and Approval</p>	<p>The consolidated business plan is reviewed through structured management and Board-level engagements, including Group and Operating Company (OpCo) management reviews and Board discussions. The process culminates in formal approval by the Board of Directors, ensuring accountability, transparency and alignment with shareholder expectations.</p>
<p>Execution and Performance Management</p>	<p>Once approved, the business plan forms the basis for budget execution, performance targets and scorecards. Performance is monitored through regular management and Board reviews, enabling timely course correction and informed decision-making.</p> <p>The business plan is supported by ongoing forecasting and review processes, ensuring it remains responsive to changes in the operating environment while maintaining strategic discipline.</p>

Integrating Sustainability Into Business Strategy

Sustainability and Climate-Related Risks and Opportunities (SRRO’s and CRROs) are treated as a core strategic focus and are integrated into Dialog’s strategic planning, LRP and business planning processes, rather than managed as standalone ESG initiatives. As part of the planning cycle, Dialog periodically revisits its LRP and underlying assumptions to ensure alignment with Group strategic direction, long-term aspirations and evolving sustainability expectations. This review is informed by a structured external and internal environmental analysis, which explicitly incorporates Social, Environmental and Governance (ESG) dimensions, capturing the prevailing operating context, key risks and emerging opportunities.

The environmental analysis considers the following inter-related ESG dimensions:



Our Strategy

This ESG analysis is complemented by key stakeholder analysis, covering regulators, customers, employees, communities, shareholders and partners, ensuring sustainability and climate considerations reflect stakeholder expectations and broader societal responsibilities.

Our Sustainability Approach

Dialog’s sustainability strategy is anchored on its purpose of empowering and enriching Sri Lankan lives and enterprises, creating long-term value for customers, communities, employees, shareholders and the environment. The Group’s sustainability framework is structured around four strategic pillars - Digital Enablement, Green Economy, Equitable Workplace and Communities, and Excellence in Corporate Governance - collectively supporting Dialog’s social license to operate while contributing to national development priorities and the United Nations Sustainable Development Goals (SDGs).

The ESG KPI Dashboard provides a consolidated view of Dialog’s progress across Environmental, Social and Governance dimensions, enabling transparent monitoring of performance, accountability and continuous improvement in sustainability outcomes.

Environmental

E

Plans for 2025	Progress in 2025	Looking Ahead
Dialog remains committed to reducing its environmental footprint while supporting Sri Lanka’s transition towards a low-carbon and resource-efficient economy. Environmental priorities focus on energy efficiency, emissions management, responsible resource consumption and long-term climate commitments aligned with the Group’s Net Zero ambition.	During 2025, Dialog strengthened its environmental governance through internationally recognised certifications and measurable carbon reduction progress. The Company achieved ISO 14064 certification for greenhouse gas (GHG) emission verification, reinforcing the credibility of its emissions measurement and reporting framework. The Group also surpassed its cumulative carbon reduction targets for 2025 by approximately 30%, reflecting the impact of ongoing energy optimisation initiatives, infrastructure modernisation and renewable energy adoption strategies.	Dialog continues to progress towards its long-term ambition of achieving Net Zero emissions by 2050, supported by investments in green energy, energy-efficient network technologies, operational optimisation and sustainable infrastructure deployment.
Environment Indicators	KPIs for 2025	Achievement in 2025
Carbon emission reduction progress (% vs baseline)	8.7%	11.24%
Renewable energy contribution to operations	N/A	2.45%
Energy intensity reduction (YoY)	2024: 0.000404 GJ/GB 2025: 0.000379 GJ/GB	YOY change: -6.29%

Social

S

Plans for 2025

Dialog's social impact initiatives focus on enabling inclusive digital access empowering communities through technology and creating equitable opportunities for employees and society. The Company leverages its core digital capabilities to drive national inclusion, particularly among underserved and bottom-of-the-pyramid communities.

Dialog also strengthened its commitment to diversity, equity, and inclusion (DEI), receiving recognition as a national leader in DEI implementation and aligning with global best practices through participation in international frameworks such as the UN Women's Empowerment Principles (WEPIs).

Progress in 2025

In 2025, Dialog onboarded approximately 1.1 million individuals through Digital Inclusion Services, bringing the cumulative reach to 3 million users. These initiatives contribute to improving access to economic opportunities, education and digital services across rural and underserved communities. The Company continues to expand programmes such as Govi Mithuru, Sayuru and AI-enabled advisory platforms, enhancing productivity and livelihoods across agriculture and fisheries sectors.

Looking Ahead

Agriculture and Food Security

Establish Sri Lanka's National 360° Agri Platform powered by Dialog AI as the country's most comprehensive digital agriculture ecosystem, enabling up to a 30% increase in crop yields through AI driven advisory, soil intelligence, financing, insurance, and market access. The platform is expected to scale to 500,000 active users, representing approximately 65% year-on-year growth, while Govi Mithuru will continue to expand its farmer marketplace reach by 25% and strengthen its position as Sri Lanka's first AI-powered, all in one agricultural advisory platform, supported by strategic grant funding to accelerate innovation.

Marine Tech

Under Marine Tech, Dialog will scale the National Early Warning and Advisory Platform for fishermen to enhance safety, productivity and climate resilience across the fisheries sector. By 2026, the platform aims to increase market share among day-boat fishermen from 60% to 90% and expand adoption among multi-day fishermen from 20% to 50%, while also entering inland fisheries for the first time, extending digital services to approximately 10,000 inland fishermen nationwide.

In EduTech, Dialog will enable 2.5 million students to use AI powered education solutions, improving learning outcomes through personalised, adaptive digital platforms.

Nethsuwaya

Nethsuwaya programme will deliver 7,500 spectacles to students from low income families, strengthening access to education through improved vision, learning ability and school retention.

Diversity and Inclusion

Through its DEI agenda, Dialog will advance inclusive digital futures by piloting AI-based assistive technology for STEM education, targeting 20,000 students to promote equitable access to science and technology learning. The Yeheli.lk platform will scale to 100,000 users, strengthening digital access, safety and economic empowerment for women, while Dialog will accomplish its committed GSMA Connected Women targets through Genie and eZCash, expanding women's participation in the digital and financial economy.

Climate Action

From a Climate Action perspective, Dialog will accelerate its decarbonisation journey by maintaining Scope 1 and 2 emissions growth below 7.3% YoY relative to 2025 levels, factoring in the impact of 5G expansion and infrastructure upgrades while prioritising long-term operational efficiency and network excellence. Customer participation in conservation will be significantly deepened through the introduction of Green Points, driving a twentyfold increase in engagement, while circular economy outcomes will be strengthened by scaling e-Kunu e-waste collection by four times, reinforcing responsible consumption and environmental stewardship across the value chain.

Our Strategy

Social Indicators	KPIs for 2025	Achievement in 2025
Digital inclusion in agriculture	Scale adoption of AI-enabled agriculture platforms and onboard new farmers	Launched Sri Lanka's first AI-based Agriculture Advisory Platform and onboarded 223,120 new farmers and home growers.
Digital inclusion in fisheries	Expand reach of the Sayuru platform across Sri Lanka's fishing community	Launched potential fishing zones feature and parametric insurance in collaboration with Hatton National Bank. Achieved 75% reach of Sri Lanka's fishing population, enhancing safety, productivity and access to digital services.
Diversity, Equity and Inclusion (DEI)	Strengthen DEI practices and achieve external recognition for inclusive workplace initiatives	Recognised with the Best DEI Initiative award at the DEI Champions Awards 2025.
DEI governance and workforce inclusion	Embed DEI metrics into management and Board-level oversight while strengthening inclusive workforce practices	DEI performance integrated into regular reporting and governance processes, supporting accountability and inclusive workforce participation.

Governance

G

Plans for 2025	Progress in 2025	Looking Ahead
Dialog continues to maintain high standards of corporate governance, transparency and ethical business practices, recognising governance as a critical foundation for sustainable growth and stakeholder trust. The Company's governance framework is supported by robust policies, risk management systems and internationally recognised certifications across key operational areas.	During 2025, Dialog achieved several significant governance milestones, including ISO 37001 certification for Anti-Bribery Management Systems (ABMS), ISO 27017 certification for cloud information security controls, ISO 27018 certification for protection of personal identifiable information in public cloud environments and ISO 22301 certification for business continuity management. These certifications reinforce Dialog's commitment to operational resilience, information security and ethical conduct.	Dialog will continue to maintain its position in both the local and international markets as a company that takes anti-corruption seriously. Dialog will also continue to maintain its ISO 37001 certification. Dialog has been engaged in multiple forums on anti-corruption: <ul style="list-style-type: none"> ▶ The Commission to Investigate Allegations of Bribery and Corruption (CIABOC) in developing their National Anti-Corruption Action Plan (NACAP). ▶ Transparency International Sri Lanka through the Business Integrity Club. ▶ The International Chamber of Commerce as a member of their Integrity Committee.

Governance Indicators	KPIs for 2025	Achievement in 2025
Compliance certifications achieved: ISO 37001, ISO 27017, ISO 27018, ISO 22301	Obtain local / international recognition for Dialog's Anti-Bribery and Anti-Corruption (ABAC) Programme	Dialog received the ISO 37001 Certification for Anti-Bribery Management Systems (ABMS) in 2025 and is the first Sri Lankan company to obtain the certification. Dialog was recognised by the United Nations Global Compact for its ABAC work and was invited to the Private Sector Forum of the Conference of State Parties (COSPP), held in December 2025, as one of its founding members. The Company was also invited as a member of the Integrity Committee of the International Chamber of Commerce (ICCSL) for its ABAC reputation.
Ethics and compliance training coverage	96%-100% completion rate of the ABAC Mandatory training within the initial agreed timelines	Dialog has achieved 97.6% completion of the ABAC Mandatory Training. All active employees as at 31 December 2025 were mandatorily assigned the training and are required to complete the training by the deadline. A few staff were exempted from completing the training due to being on maternity leave, long sick leave or if they had been affected by Cyclone Ditwah.

Governance Indicators	KPIs for 2025	Achievement in 2025
Board and governance effectiveness indicators	The Board of Directors' effectiveness is evaluated annually through a structured Board effectiveness assessment process. The evaluation covers key dimensions of governance, including Board composition, Board operations and interactions, Board and individual Director contributions, and individual self-assessments. The assessment framework evaluates the Board's overall effectiveness in discharging its responsibilities, quality of oversight, effectiveness of Board processes, strategic engagement, ethical leadership, and access to information and management.	The Board achieved an overall effectiveness score of 97%, in 2025, reflecting a very strong and effective governance framework, a high level of engagement, and robust Board practices supporting the Company's strategic objectives and long-term sustainability.

Dialog also received recognition for excellence in sustainability reporting, including being named the winner of the Non-Financial Services Category at the ACCA Sustainability Reporting Awards 2024 and securing the Bronze Award for Best Sustainability Reporting at the CFA Society Sri Lanka Capital Market Awards 2025, acknowledging its commitment to transparency and high-quality non-financial reporting.

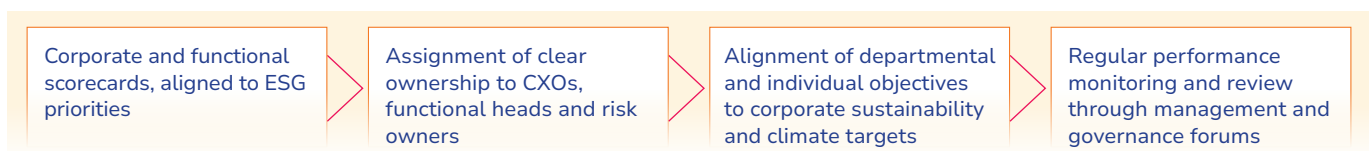
Targets Set for SRRO's and CRRO's for the Short, Medium and Long-Term

Dialog sets targets for Sustainability and Climate-Related Risks and Opportunities (SRROs and CRROs) through its enterprise scorecard, risk and ESG performance frameworks, aligned to strategic priorities.



At the Group and corporate level, sustainability and climate objectives are embedded into strategic aspirations and annual targets, ensuring consistency with Group-level expectations. These are translated into Group Chief Executive's KPIs which is one of the main focus areas. Significant accountability is also assigned to the Group Chief Corporate Officer - Group Risk, Compliance and Sustainability, who carries a larger dedicated KPI covering sustainability governance, climate and risk-related oversight, regulatory compliance and enterprise risk management. These objectives are further cascaded to the Group Chief Corporate Officer's direct reports, ensuring ownership at functional and execution levels.

Targets are cascaded as set out graphically alongside. This cascading approach ensures SRROs and CRROs are aligned from Group to individual level, embedded into performance management, and actively driven through leadership accountability.



Resource Allocation and Funding Plans

The overall resource allocation and funding requirements for sustainability-related initiatives are embedded within the Company's annual capital and operating expenditure planning process although no separate earmarked budget is maintained. Funding is allocated through the approved annual CAPEX and OPEX envelopes, and deployment is based on projects approved through the established investment governance process. Where relevant, sustainability linked or green financing options may be evaluated in line with project suitability and prevailing funding strategies. Additionally, we are exploring options to secure financing for greening of the network.

Catalysing Inclusive Growth through DEI

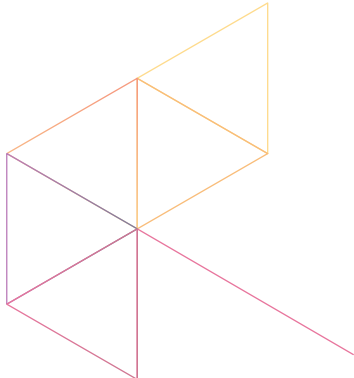
Diversity, Equity and Inclusion (DEI) are embedded across Dialog's operations, shaping a workplace that values diverse perspectives and enables every individual to contribute and grow. By fostering an inclusive culture, we strengthen our people, enhance collaboration and support an environment where innovation can thrive.

In recognition of these efforts, Dialog was honoured with a National Award for DEI Leadership in the Corporate Sector in 2025. This milestone reflects our continued commitment to advancing equality through progressive policies, meaningful employee engagement and sustained leadership focus, catalysing a workplace where diversity is actively embraced and opportunity is accessible to all.



Management Discussion and Analysis

64	Business Review	97	Social and Relationship Capital
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75	Financial Capital	129	Natural Capital
80	Human Capital	139	Intellectual Capital



Business Review

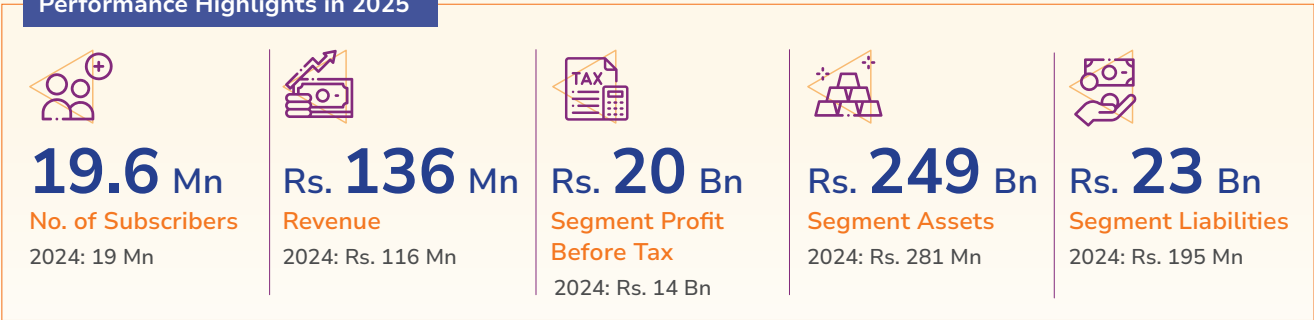
Dialog Axiata PLC (DAP)

In FY2025, the Company's key business segments, Mobile, Tele-infrastructure and Digital Services, accounted for 76% of the Group's total revenue. The Company's revenue grew 17% YTD, reaching Rs. 135.8 billion, primarily driven by an increase in the data segment. By the end of the financial year, the Company successfully maintained its market leadership position, holding a market share of 64%. This achievement was also supported by Airtel's contribution, as the mobile subscriber base grew to 19.6 million.

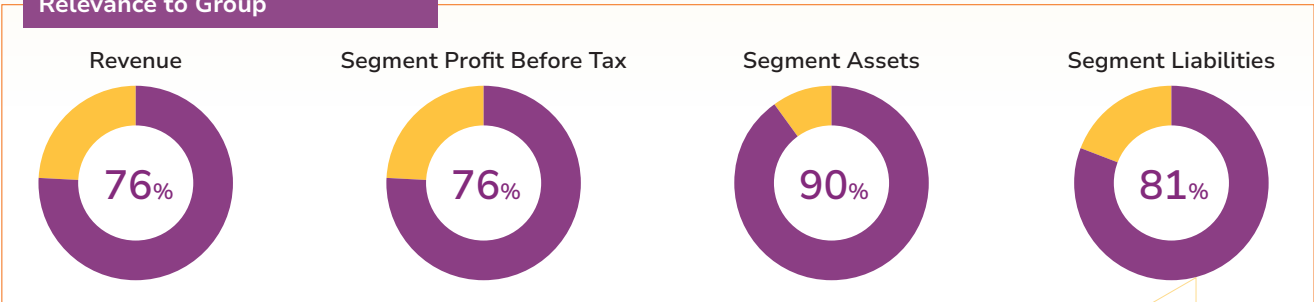
The Company profitability continued to be impacted by elevated energy costs. However, with the traction gained on cost-rescaling initiatives the overall cost base contracted resulting in EBITDA recording a growth of 32% YTD to reach Rs. 63.6 billion for FY2025.

Driven by topline performance and cost rescaling initiatives, Company NPAT was recorded at Rs. 15.6 billion for FY2025, up 41% YTD. The forex loss reached Rs. 1.4 billion for FY2025.

Performance Highlights in 2025

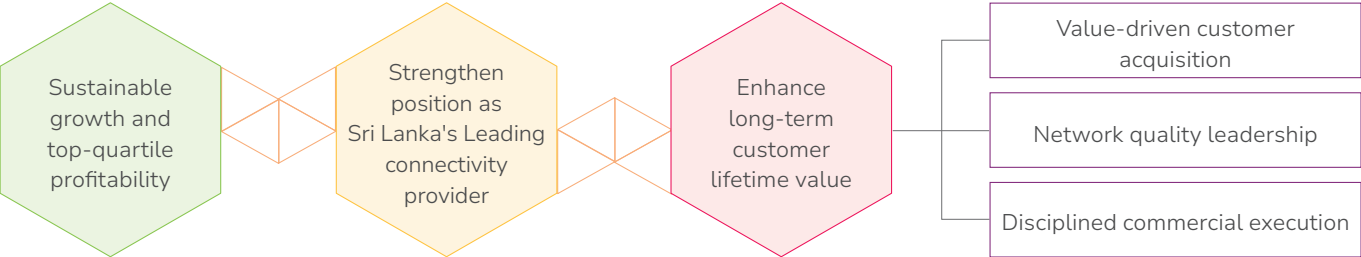


Relevance to Group



Strategy

Dialog's mobile business strategy in 2025 continued to focus on strengthening its position as Sri Lanka's leading connectivity provider while progressing towards the Group's 2028 North Star ambition of sustainable growth and top-quartile profitability. The Company prioritised value-driven customer acquisition, network quality leadership, and disciplined commercial execution to enhance long-term customer lifetime value. Strategic initiatives centred on accelerating data penetration through migration from legacy technologies to 4G and 5G, portfolio simplification, and targeted price optimisation to support ARPU expansion.



The Company also intensified its focus on high-value customer retention and usage-led monetisation through differentiated bundles and personalised offers, while leveraging digital engagement and automation to enhance customer experience. Strengthening the position as the #1 trusted network remained a core priority, supported by ongoing investments in network quality improvements, anti-spam initiatives, and enhanced service reliability.

Opportunities and Challenges in 2025

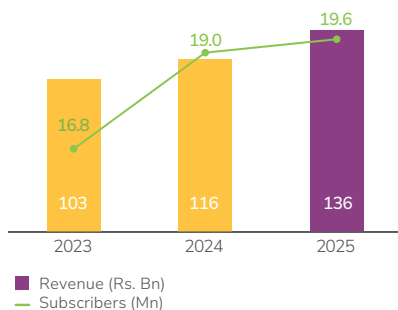


The mobile business operated in an environment characterised by evolving customer usage patterns, increasing data consumption, and heightened competition within the telecommunications sector. Opportunities emerged through rising smartphone adoption, growing demand for high-speed connectivity, and the expansion of digital lifestyles, which continued to support data revenue growth and customer value enhancement. The continued migration towards 4G and 5G technologies provided further potential to drive usage-led monetisation and ARPU uplift.

However, the year also presented several challenges. Industry pricing dynamics required calibrated price adjustments and tariff revisions, some of which remained subject to regulatory approvals. The Company also experienced moderated gross subscriber additions due to a deliberate shift towards quality-focused acquisition and churn management initiatives aimed at improving customer value and profitability. Operational complexities, including pending billing adjustments and delayed establishment of certain institutional channels, also impacted performance during the year. Notwithstanding these factors, disciplined execution and quality-of-service improvements supported stronger customer engagement and retention outcomes.

Performance 2025

Revenue and Subscribers

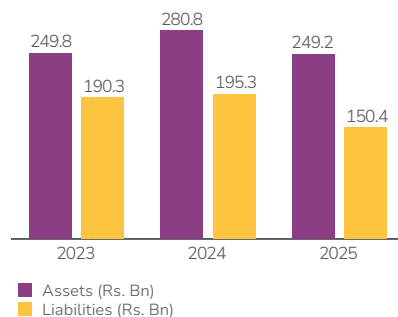


Dialog’s mobile business demonstrated resilient performance in 2025, supported by continued commercial optimisation, network quality improvements, and strategic pricing initiatives.

The Company recorded notable improvements in customer quality indicators, with network quality enhancements contributing to a 4 percentage point (pp) improvement in QoS metrics and a 0.3pp reduction in net churn within the embedded base.

During the year, Dialog implemented targeted price optimisation across selected product segments, including general data tariff adjustments and

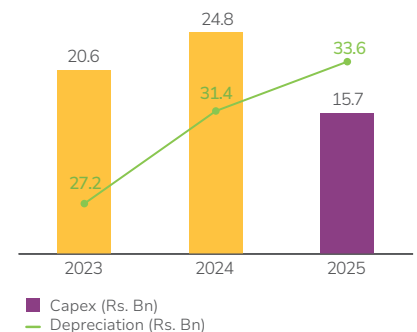
Assets and Liabilities



bundle refinements, which contributed towards ARPU strengthening. Gross additions were strategically moderated by approximately 25%, reflecting a conscious shift towards higher-value acquisitions and improved customer lifetime economics. Notably, gross additions were secured at higher ARPU levels compared to previous cohorts, further supporting long-term revenue sustainability.

The Company also introduced new value-enhancing offerings such as revised voice bundles and innovative data plans, including the launch of the Rs. 298 voice pack, while strengthening flagship propositions such as Fun

Capex and Depreciation



Blaster and Unlimited Blaster portfolios through calibrated price adjustments. Enterprise segment performance also benefited from price and base optimisation initiatives, contributing approximately 4% of data enterprise revenue growth.

Profitability improvements were further supported by disciplined cost management, digitalisation of customer journeys, and operational efficiencies, reinforcing the trajectory towards long-term margin expansion targets under the 2028 North Star framework.

Business Review

Way Forward

Term	Way forward in 2026 and beyond
Short-Term	In the short-term, the Company will continue to prioritise ARPU growth and customer value enhancement through portfolio simplification, targeted upsell and cross-sell initiatives, and further price optimisation where appropriate. Continued focus will be placed on improving network quality, strengthening customer experience through digital self-service channels, and accelerating migration from legacy technologies to 4G and 5G. Retention of high-value customers will remain a strategic priority, supported by loyalty programmes and differentiated content bundling.
Medium-Term	Over the medium-term, Dialog aims to accelerate sustainable growth through deeper 5G monetisation, expanded digital ecosystem offerings, and further enhancements to customer lifetime value. Strategic initiatives will include expanding enterprise mobility solutions, leveraging AI-driven personalisation, and improving operational efficiency through automation. Margin expansion initiatives will focus on optimising acquisition costs, enhancing collections discipline, and reducing service delivery costs through digitalisation.
Long-Term	Looking ahead to 2028 and beyond, Dialog's mobile business remains committed to achieving its North Star ambition of maintaining market leadership while delivering sustainable ARPU growth exceeding GDP growth and achieving top-quartile profitability. The Company will continue to invest in next-generation connectivity, advanced digital platforms, and ecosystem partnerships to drive long-term value creation. Sustained focus on customer trust, network leadership, and disciplined commercial execution will underpin Dialog's ambition to remain Sri Lanka's most trusted and preferred connectivity provider.

Dialog Broadband Networks (DBN)

In FY2025, Dialog Broadband Networks (DBN) featuring the Group's Fixed Telecommunications, Broadband and International Businesses recorded a 28% YTD decline in revenue to Rs. 35.5 billion due to the conscious decision to curtail the low-margin hubbing business. The International business contributed 9% to DBN revenue whilst recording a decline of 83% YoY. Fixed Broadband revenue and Data and Leased Lines revenue grew by 5% YoY and 16% YoY, respectively.

DBN EBITDA grew 29% YTD to Rs. 19.6 billion for FY2025, while the EBITDA margin improved by approximately 24pp to 55%. DBN NPAT rose >100% YTD to Rs. 6.1 billion, primarily due to higher EBITDA.

Performance Highlights in 2025



1.1 Mn

No. of Subscribers



Rs. 35.5 Mn

Revenue



Rs. 7 Bn

Segment Profit Before Tax



Rs. 54 Bn

Segment Assets

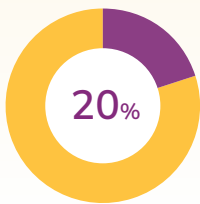


Rs. 23 Bn

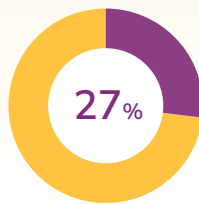
Segment Liabilities

Relevance to Group

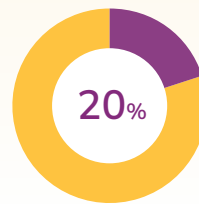
Revenue



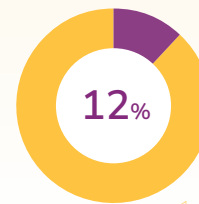
Segment Profit Before Tax



Segment Assets



Segment Liabilities



Strategy

DBN continued to focus on strengthening its leadership position in Sri Lanka's fixed broadband market in 2025, guided by the Group's long-term ambition of delivering sustainable growth and improved profitability under the 2028 North Star framework. The Company prioritised value-driven customer acquisition, enhanced customer experience, and accelerated adoption of next-generation connectivity technologies, particularly 5G-based Fixed Wireless Access (FWA), to expand household connectivity and digital lifestyle adoption.

In parallel, DBN continued to scale its enterprise business, leveraging its robust network infrastructure and digital capabilities to deliver integrated connectivity, cloud, and ICT solutions to corporate customers. This included enabling enterprise digital transformation through tailored solutions in areas such as managed services, data connectivity, and emerging technologies, thereby strengthening its position as a comprehensive digital solutions provider across both consumer and business segments.

Strategic initiatives during the year centred on portfolio simplification, usage-led monetisation, and bundling of value-added services including smart home solutions, content offerings, and connected device ecosystems. The Company also intensified its focus on high-value customer retention and protection, alongside improving acquisition quality and operational efficiency to support margin expansion. Strengthening digital engagement and self-service capabilities remained a key enabler in enhancing customer experience while reducing service delivery costs.

Opportunities and Challenges in 2025

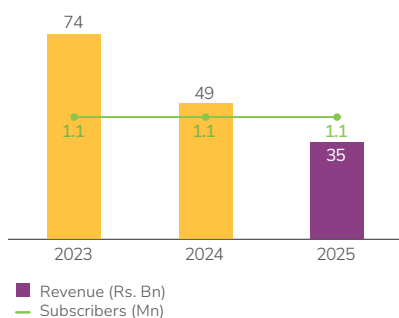
The fixed broadband segment continued to benefit from growing demand for high-speed connectivity driven by digital adoption across households, SMEs, and enterprises. Increasing consumption of video streaming, remote working requirements, online education, and smart home adoption presented opportunities for sustained data growth and customer value enhancement. The expansion of 5G coverage further enabled the Company to deliver improved speeds and reliability, supporting premiumisation of broadband offerings.

Business Review

The Company continued to adapt to a rapidly evolving operating environment, marked by competitive pricing dynamics, increasing customer expectations, and the accelerated scaling of next-generation technologies, reinforcing its focus on innovation, efficiency, and service excellence. Acquisition momentum was moderated by a deliberate shift towards quality-focused growth, while affordability constraints in certain customer segments required careful portfolio positioning. Notwithstanding these challenges, disciplined execution and targeted commercial initiatives enabled the business to sustain growth momentum while improving customer value metrics.

Performance 2025

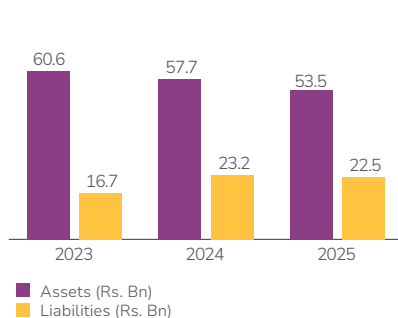
Revenue and Subscribers



The fixed broadband business recorded steady performance in 2025, supported by continued growth in data usage and value-enhancing commercial initiatives.

During the year, the Company strengthened its portfolio through the introduction of revised prepaid and unlimited broadband plans designed to cater to evolving usage patterns,

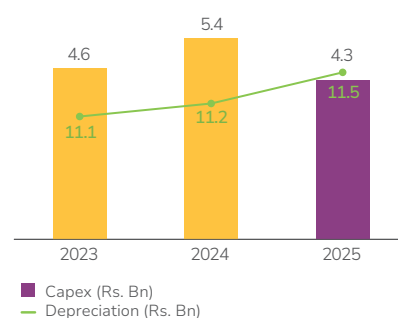
Assets and Liabilities



particularly among heavy social media and video users. Continued expansion of smart home and connected device solutions further supported increased household penetration and customer engagement.

Operational performance was supported by disciplined cost management and improvements in customer experience

Capex and Depreciation



through digitalisation and service automation initiatives. Portfolio rationalisation and bundling strategies contributed towards ARPU growth and profitability improvements were further supported by optimisation of acquisition costs, improved collections discipline, and operational efficiencies.

Way Forward

Term	Way forward in 2026 and beyond
Short-Term	In the short-term, the Company will focus on accelerating 5G FWA adoption, enhancing household penetration through targeted acquisition initiatives, and further strengthening ARPU through usage-led monetisation and bundling strategies. Continued investments in customer experience improvements, including digital self-service and service quality enhancements, will remain key priorities alongside disciplined cost management. In parallel, the Company will continue to support enterprise customers through enhanced connectivity and tailored digital solutions.
Medium-Term	Over the medium-term, Dialog aims to deepen its leadership in the fixed broadband market through expanded 5G coverage, enhanced product innovation, and ecosystem partnerships across smart home, content, and digital services. Portfolio simplification and targeted upsell and cross-sell initiatives will support ARPU growth, while operational efficiency programmes and automation will contribute towards margin expansion. The Company will also continue to strengthen its enterprise portfolio through scalable connectivity and ICT solutions to support business digitalisation.
Long-Term	Looking ahead to 2028 and beyond, the home broadband business remains committed to achieving its North Star ambition of maintaining market leadership while delivering sustainable ARPU growth and achieving targeted profitability levels. Continued investments in next-generation connectivity, smart home ecosystems, and digital platforms will underpin long-term value creation, enabling Dialog to remain the preferred digital connectivity provider for Sri Lankan households and enterprises.

Dialog Television (DTV)

Dialog Television (DTV) sustained its leadership position in the digital pay television segment despite operating in a challenging environment marked by subdued consumer spending. Through effective churn management initiatives, DTV maintained a stable subscriber base of over 1.6 million during 2025. Supported by growth in both subscription and advertising revenue streams, DTV recorded a 4% YTD increase in revenue, reaching Rs. 12.9 billion for the financial year ended 2025.

DTV recorded a robust EBITDA growth of 26% YTD, reaching Rs. 2.7 billion for FY2025. Notably, NPAT demonstrated a significant improvement of 20% YTD, reducing the net loss to Rs. 0.7 billion for the year, reflecting continued progress towards profitability.

Performance Highlights in 2025



1.6 Mn

No. of Subscribers



Rs. 13 Bn

Revenue



Rs. -0.7 Bn

Segment Profit Before Tax



Rs. 11 Bn

Segment Assets

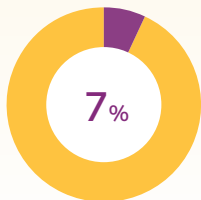


Rs. 13 Bn

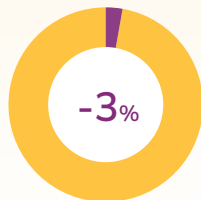
Segment Liabilities

Relevance to Group

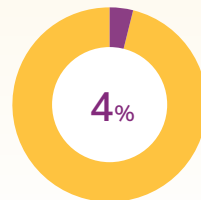
Revenue



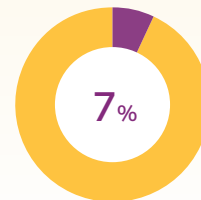
Segment Profit Before Tax



Segment Assets



Segment Liabilities



Strategy

DTV continued to focus on sustaining its leadership position in Sri Lanka's digital pay television sector in 2025, while progressively evolving its business model towards a digitally integrated entertainment platform. The Company's strategy centred on strengthening customer value through content innovation, portfolio simplification, and enhanced digital engagement across television and OTT platforms.

Key strategic priorities included migration of legacy customer segments towards recurring subscription models, accelerating video-on-demand (VOD) adoption, and expanding monetisation opportunities through bundled offerings across mobile and home broadband ecosystems. Cost optimisation remained a critical strategic pillar, with continued emphasis on content portfolio rationalisation, operational efficiency improvements, and disciplined investment management to support long-term profitability.

Opportunities and Challenges in 2025

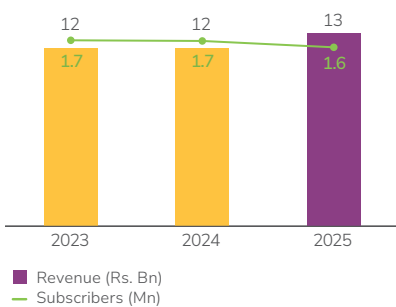
The DTV business operated within an increasingly dynamic media landscape shaped by growing digital streaming adoption, evolving consumer preferences, and affordability pressures impacting discretionary household spending. Despite these industry headwinds, opportunities emerged through growth in prepaid subscriptions, expansion of digital advertising revenue, and increased demand for sports and locally produced content.

Business Review

The Company also faced challenges relating to moderated postpaid subscriber growth, regulatory approval timelines for certain commercial initiatives, and ongoing pressures on content costs. In addition, industry-wide shifts towards OTT platforms continued to influence traditional pay television consumption patterns. Notwithstanding these factors, disciplined commercial execution, enhanced customer engagement initiatives, and continued investment in digital platforms supported stable business performance during the year.

Performance 2025

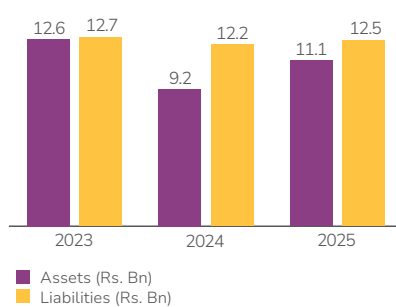
Revenue and Subscribers



DTV maintained its leadership position in the digital pay television market in 2025, with the subscriber base sustained at approximately 1.6 million. Revenue for the year increased, supported primarily by growth in prepaid subscription segments and advertising revenue streams.

Prepaid segment performance remained resilient during the year, driven by targeted acquisition initiatives and enhanced value propositions, while postpaid performance experienced

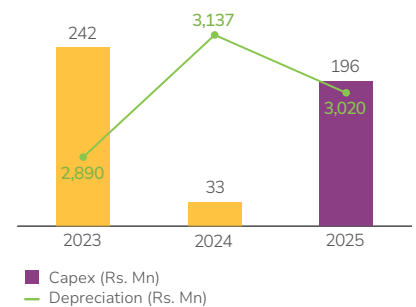
Assets and Liabilities



moderate pressure associated with portfolio optimisation and base adjustments. Digital monetisation initiatives continued to gain traction through expanded premium content offerings and partnerships across VOD platforms. Advertising revenue recorded strong growth during the year, supported by increased sports-related content monetisation and higher engagement across digital platforms.

Operational performance was further strengthened by cost optimisation initiatives, including rationalisation

Capex and Depreciation



of content costs and improvements in customer service efficiency through digitisation and automation. Continued progress was also achieved in expanding proprietary content platforms, including ThePapare, which delivered steady revenue growth supported by increased live sports production and digital engagement. These initiatives collectively supported improvements in operational efficiency and reinforced the trajectory towards long-term profitability.

Way Forward

Term	Way forward in 2026 and beyond
Short-Term	In the short-term, DTV will prioritise strengthening prepaid customer growth, accelerating migration towards recurring subscription models, and enhancing digital platform experiences through improved OTT integration and value-added content offerings. Continued expansion of advertising monetisation opportunities and targeted content investments will remain key priorities, alongside initiatives to improve customer retention and engagement. In parallel, the Company will focus on driving digital adoption by leveraging content to enhance data usage, while expanding monetisation across content and advertising platforms.

Term	Way forward in 2026 and beyond
Medium-Term	Over the medium-term, the Company aims to accelerate sustainable growth through deeper integration of television and digital platforms, expansion of on-demand content ecosystems, and strengthened partnerships with global and local content providers. Monetisation opportunities across sports, advertising, and digital media platforms will continue to be developed, supported by enhanced analytics capabilities and improved customer insights. These initiatives will further support digital adoption and enable the Company to monetise content and data usage more effectively. Operational efficiency initiatives, including automation and portfolio optimisation, will contribute towards margin improvement.
Long-Term	Looking ahead to 2028 and beyond, DTV remains committed to evolving into a fully-integrated digital entertainment platform, leveraging content innovation, ecosystem bundling, and technology adoption to drive sustainable growth. The Company's long-term ambition includes expanding digital monetisation streams across content, data, and advertising, while delivering improved ARPU levels and achieving positive profitability through disciplined cost management and diversified revenue sources. Sustained focus on customer experience, content relevance, and operational efficiency will underpin Dialog's ambition to maintain market leadership while enhancing shareholder value.

DIAL Share Information

The DIAL Share

The main indices of the Colombo Stock Exchange (CSE), namely the All Share Price Index (ASPI) and the S&P Sri Lanka 20 (S&P SL20), experienced strong growth in 2025 as the country recovered from socio-economic challenges. The ASPI concluded 2025 with a remarkable growth of 43%, while the more liquid S&P SL20 index recorded a 28% increase. The total return indices performed even better, with the All Share Total Return Index (ASTRI) and the Total Return Index on S&P SL20 achieving growth rates of 49% and 33%, respectively.

The growth in indices during the year, culminating in peak levels by year-end, was driven by the return of political and economic stability and improved confidence among local and foreign investors, contributing to overall market appreciation.

Share Performance

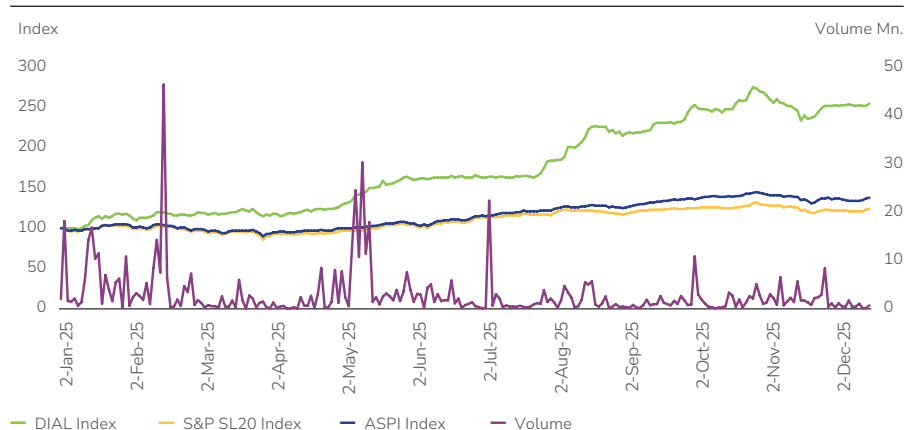


Figure 1: Share Volumes and Relative Performance Vs. Market

The DIAL share recorded a significant appreciation during the year, reflecting strong growth in business performance and positive sentiment at the CSE. Notably, the share surpassed its previous all-time high, underscoring the strength of investor confidence. It closed at Rs. 29.8, marking a 155% increase for the year, and traded within a range of Rs. 32.5 at its peak and Rs. 11.4 at its lowest. DIAL remained a substantial contributor to the CSE's overall market capitalisation, accounting for approximately 3.4% of total market value and ranking among the top five listed companies.

Market Capitalisation

The Company's total market capitalisation increased by 155% to Rs. 274.2 billion during the year. Consequently, DIAL's contribution to the overall market capitalisation of the CSE rose to 3.4% by end 2025, compared to 1.9% in the previous year, reflecting growth in DIAL's market capitalisation that outpaced the broader market. This increase was driven primarily by improved financial performance, which led to heightened investor demand for the stock.

	2025	Q4	Q3	Q2	Q1	2024
Share Information						
Highest Price (Rs)	32.5	32.5	28.9	19.3	14.6	12.2
Lowest Price (Rs)	11.4	26.7	19.0	13.0	11.4	8.6
Closing Price (Rs)	29.8	29.8	27.0	19.1	14.3	11.7
Trading Statistics						
Number of Transactions	57,203	18,625	12,895	13,632	12,051	39,756
% of Total Market Transactions	0.6%	0.8%	0.3%	1.0%	0.9%	1.1%
Number of Shares Traded (Mn)	697	109	108	219	261	397
% of Total Shares Traded	1.2%	0.9%	0.4%	2.4%	2.8%	1.7%
% of Public Float	47.7%	7.5%	7.4%	15.0%	17.9%	27.2%
Turnover (Rs. Mn)	12,741	3,217	2,366	3,670	3,488	4,186
Avg. Daily Turnover (Rs. Mn)	53.5	52.7	37.6	63.3	62.3	17.4
% of Total Market Turnover	0.8%	1.0%	0.3%	1.6%	1.5%	0.8%
Market Capitalisation (Rs. Mn)	274,170	274,170	248,409	175,726	131,565	107,644
% of Total Market Capitalisation	3.4%	3.4%	3.2%	2.7%	2.3%	1.9%

Table 1: Market Information on DIAL Share

Dividends

Dialog has maintained a progressively higher dividend over the years, after taking into consideration the Group performance and forward investment requirements to maintain its leadership position in the market.

Accordingly, guided by the Group's dividend policy, the Board of Directors resolved to propose for consideration by the Shareholders of the Company, a cash dividend to ordinary shareholders amounting to One Rupee and Fifty Cents (Rs. 1.5) per share for FY2025.

The said dividend, if approved by shareholders, would translate to a payout of 66% of consolidated Group PATAMI for FY2025, which is above the minimum payout stipulated (50%) by the dividend policy. The proposed dividend corresponds to a total dividend of Rs. 13.8 billion and a dividend yield of 5.0%.

Total Shareholder Return

The Total Shareholder Return (TSR) for the share was at 160% in 2025 mainly due to the capital appreciation of 155% and the dividend yield of 5.0%. The market TSR based on ASPI gained 43%, while TSR based on S&P SL20 gained 28% in 2025.

Earnings per Share

The basic Earnings Per Share (EPS) for the year stood at Rs. 2.26 compared to an EPS of Rs. 1.43 recorded in FY2024, an increase of 58.0% YoY. EPS is calculated by dividing the net profit attributable to shareholders by the number of ordinary shares in issue at the end of the year.

	2025	2024	2023
Market Cap (Rs. Bn)	274.2	107.6	74.2
Market Value Added (Negative) / Positive - (Rs. Bn)	166.5	33.4	4.1
Enterprise Value (Rs. Bn)	331.5	174.2	147.4
EV/EBITDA (x)	3.8	2.6	2.4
Basic EPS (Rs)	2.26	1.43	2.44
PER (x)	13.2	8.2	3.7
Price to Book (x)	3.0	1.4	1.1
Dividend Yield (%)	5.0%	8.5%	14.9%

Table 2: Trading Multiples

Price to Book Ratio

The price to book ratio of the Group as at 31 December 2025 was 3.0 times, compared to 1.4 times last year, mainly resulting from the steeper increase in share price relative to the increase of Net Assets of the Group.

Liquidity

The liquidity of the share improved by 204% during the year in line with the appreciation of the share price as alluded to earlier. However, the activity level of the share was high both in terms of share volume and number of trades. Accordingly, the share volume increased by 76% whilst the number of trades increased by 44%, indicating a higher weighted price for the share in 2025 compared to the previous year.

The free float of the share, the number of shares of the issued capital freely available for trading, calculated by excluding all strategic holdings and shares held by Directors of the Company was 15.9% by end-2025.

Composition of Shareholders

The total number of Shareholders of DIAL rose slightly to 24,879 as of 31 December 2025 compared to 23,900 during the previous year.

In terms of the composition of the public float, foreign investors held 53% of the float, 35% was held by local institutional investors and 12% by local retail investors.

The year 2025 marked a decrease in local investor participation in DIAL. Accordingly, overall local investor composition fell to 47% in 2025 from 57% recorded in the previous year.

Composition of Shareholders

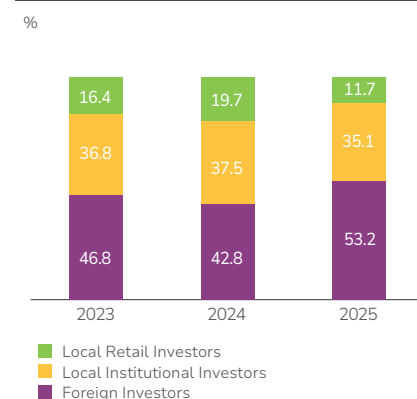
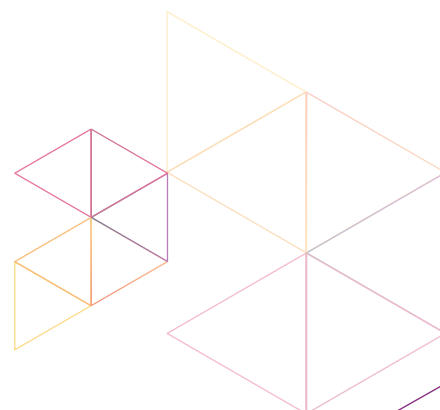


Figure 2: Composition of Shareholders



DIAL Share Information

Distribution of Shareholders

	31 December 2025				31 December 2024			
	No. of Shareholders	%	No. of Shares Held	%	No. of Shareholders	%	No. of Shares Held	%
1 to 1,000 Shares	14,748	59.28	5,927,693	0.06	13,176	55.13	5,628,318	0.06
1,001 to 10,000 Shares	8,703	34.98	22,277,063	0.24	8,802	36.83	23,252,376	0.25
10,001 to 100,000 Shares	1,108	4.45	33,464,084	0.36	1,478	6.18	49,886,683	0.54
100,001 to 1,000,000 Shares	228	0.92	73,138,960	0.79	337	1.41	105,839,625	1.15
Over 1,000,000 Shares	92	0.37	9,065,527,194	98.53	107	0.45	9,015,727,992	97.99
Total	24,879	100.00	9,200,334,994	100.00	23,900	100.00	9,200,334,994	100.00

Table 3: Distribution of Shareholders

* The issued Ordinary Shares of Dialog Axiata PLC are listed on the Colombo Stock Exchange.

* Stock exchange ticker symbol for Dialog Axiata shares: DIAL

* Newswire codes

Bloomberg: DIAL.SL

Dow Jones: DIAL.SL

Reuters: DIAL.CM

Twenty Largest Shareholders of the Company

No.	Name of Shareholder	No. of Shares as of 31-Dec-2025	% of Holding	No. of Shares as of 31-Dec-2024	% of Holding
1	Axiata Investments (Labuan) Limited	6,785,252,765	73.75	6,785,252,765	73.75
2	Bharti Airtel Limited	952,694,689	10.36	952,694,689	10.36
3	Employees' Provident Fund	237,424,082	2.58	237,424,082	2.58
4	Citibank Hong Kong S/A Hostplus Pooled Superannuation Trust	172,061,801	1.87	148,192,628	1.61
5	Bbh Luxfidelity Funds-Pacific F	128,421,604	1.40	128,421,604	1.40
6	Ssbt-Sunsuper Pty. Ltd. As Trustee For Sunsuper Superannuation Fund	125,733,938	1.37	113,229,230	1.23
7	Citibank Newyork S/A Norges Bank Account 2	89,773,787	0.98	18,063,421	0.20
8	J.B. Cocoshell (Pvt) Ltd	70,888,725	0.77	63,601,750	0.69
9	BBH - Fidelity Funds	53,560,648	0.58	53,560,648	0.58
10	Deutsche Bank AG Trustee To Lynear Wealth Dynamic Opportunities Fund	33,874,313	0.37	N/A	N/A
11	Caceis Bank, Luxembourg Branch-Nef	32,772,588	0.36	26,206,391	0.28
12	JPMCB NA - Government Institutions Pension Fund	30,308,877	0.33	N/A	N/A
13	JPMCB NA-Fidelity Asian Values PLC	30,001,930	0.33	38,530,079	0.42
14	Caceis Bank, Ireland Branch S/A Bridge Ucits Funds ICAV - Hosking Global Equity Fund	26,387,083	0.29	N/A	N/A
15	Union Assurance PLC-Universal Life Fund	22,596,319	0.25	N/A	N/A
16	Northern Trust Company S/A Hosking Global Fund PLC	22,018,483	0.24	55,110,524	0.6
17	Mr. J.J. Hosking	20,500,000	0.22	8,000,000	0.09
18	Invenco Capital Private Limited	14,934,672	0.16	N/A	N/A
19	Deutsche Bank AG As Trustee For JB Vantage Value Equity Fund	14,257,579	0.15	12,075,277	0.13
20	GF Capital Global Limited	12,687,960	0.14	N/A	N/A

Table 4: Twenty Largest Shareholders of the Company



Financial Capital

Financial capital enables us to invest, operate and create sustainable value for all stakeholders. In 2025, a gradual improvement in macroeconomic conditions supported stronger financial performance and enhanced resilience. This positions us to continue investing in network expansion, digital platforms and future-ready technologies, while maintaining disciplined capital allocation. By balancing growth with financial prudence, we support long-term sustainability and contribute to national economic progress.



Overview

FY2025 marked a year of recovery and growth following the prior macroeconomic trough, as key indicators continued to improve. Inflation remained subdued at 2.1%, while the 1-year Treasury Bill rate declined to approximately 8% by year end. Sri Lanka's GDP expanded by 5.0% in 2025, in line with the growth recorded in the previous year. The Sri Lankan Rupee (LKR) depreciated by 5.8% against the United States Dollar (USD) during the year. Meanwhile, consumer spending continued to recover, albeit remaining below pre-crisis levels, constrained by the sustained elevation in essential goods prices.

Group Financial Review

The consolidated financial performance of Dialog Group comprises Dialog Axiata PLC ("the Company") and its subsidiaries and equity investees, collectively referred to as the Dialog Axiata Group (the "Group").

The Group concluded the Financial Year with positive topline growth across all business segments, including Mobile, Fixed, Digital Pay Television, Digital Platforms and Tele-infrastructure businesses and was further supported by Airtel's contribution. Group consolidated revenue was recorded 5% growth to Rs. 179.6 billion in FY2025, despite the conscious scaling down of the hubbing business.

Group total operating costs increased by 18% YoY. However, this was partially offset by an 11% YoY decline in direct costs, primarily driven by the scaling down of the hubbing business during FY2025. In parallel, cost rationalisation initiatives undertaken during the year further supported profitability growth.

The cost optimisation initiatives delivered significant savings of approximately Rs. 5.5 billion for FY2025. Notwithstanding these gains, a sharp

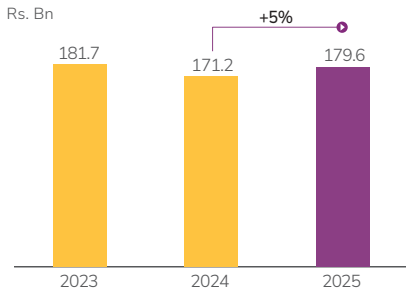
increase in energy costs emerged as a key headwind during the year, exerting upward pressure on overall expenditure. Additionally, the depreciation of the LKR against the USD contributed to expansion in USD denominated costs.

Group Earnings Before Interest Tax Depreciation and Amortisation ("EBITDA") recorded a 30% YTD growth to reach Rs. 86.0 billion for FY2025. The achievement of this performance was the result of revenue growth through price hardening and successful cost rationalisation initiatives.

The Group Net Profit After Tax ("NPAT") grew by 67% YTD to Rs. 20.8 billion, supported by EBITDA performance. The YTD NPAT performance was dampened by a forex loss of Rs. 1.4 billion in FY2025. Normalised for the forex gain, the Group NPAT was Rs. 22.1 billion for FY2025, up from Rs. 8.7 billion the previous year.

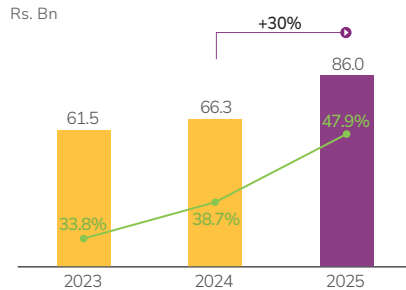
Financial Capital

Group Revenue



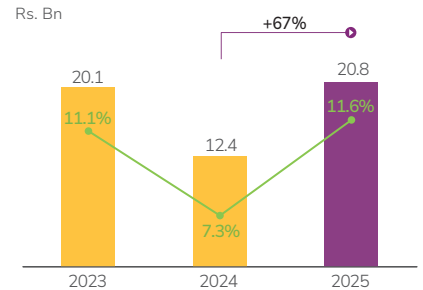
- Group Revenue recorded a growth of 5% YoY
- Group Revenue excluding International business revenue grew 9% YoY
- DTV revenue recorded 4% YoY growth driven by subscription and advertising revenue growth
- DBNs' fixed business revenue increased 8% YoY due to the growth in Home Broadband

Group EBITDA



- Improvement in Group EBITDA driven by revenue flow through and realisation of CSR initiatives
- Group EBITDA margin improved 23.6pp to 47.9%
- DTV EBITDA up 26% YoY due to revenue growth and stringent cost management
- DBN EBITDA improved by 29% YoY due to lower direct costs as hubbing business is curtailed

Group NPAT



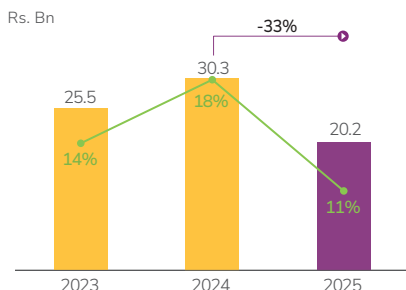
- Group NPAT underpinned by strong EBITDA performance, despite higher depreciation, NFC and tax
- Normalised for forex loss of Rs. 1.4 billion, Group NPAT was recorded at Rs. 22.1 billion for FY2025, up +>100% YTD

The Dialog Group continued to be a significant contributor to state revenues, remitting a total of Rs. 54.7 billion to the Government of Sri Lanka (GoSL) during the financial year ended 31 December 2025. Total remittances included Direct Taxes and Levies amounting to Rs. 11.1 billion and Rs. 43.6 billion in Consumption Taxes collected on behalf of GoSL.

Group capital expenditure ("Capex") for FY2025 was recorded at Rs. 20.2 billion resulting in a Capex to revenue ratio of 11%, down from 18% in the previous year. Capital expenditure was directed towards investments in high-speed broadband infrastructure to further strengthen the Group's leadership in Sri Lanka's broadband sector.

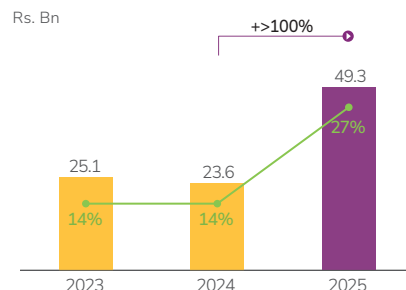
The Group recorded a significant increase in Operating Free Cash Flow ("OFCF") for FY2025 to reach Rs. 49.3 billion as a result of improved business performance and lower capital expenditure during the year. The Group continued to exhibit a low geared balance sheet, with the Net Debt to EBITDA ratio being maintained at a healthy 0.64x as of end-2025.

Capex



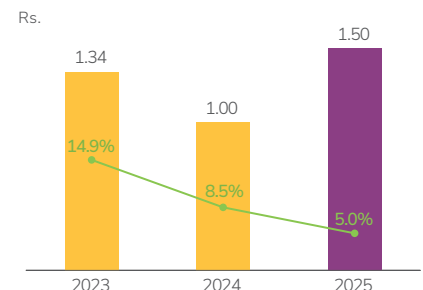
- Capex fell 33% YoY in FY2025
- Capex intensity was 11% in FY2025 down from 18% in FY2024

Operating Free Cash Flow (OFCF)



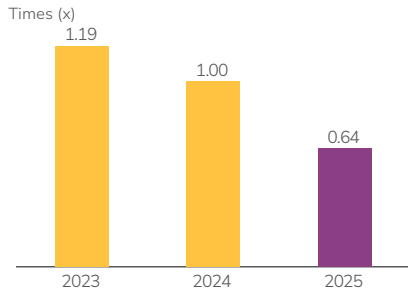
- OFCF grew by +>100% in FY2025 supported by improved profitability and lower capex spend during the year

Dividend Per Share and Dividend Yield



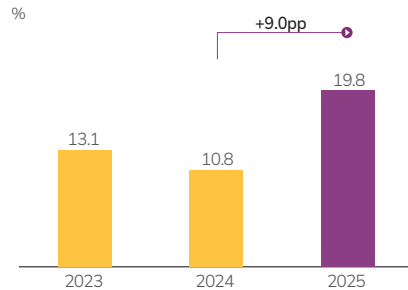
- Dividend Per Share of Rs. 1.5, up 50% from the previous year
- Dividend Yield at 5.0%, despite significant share price hike during the year
- Total dividend payout for FY2025 of Rs. 13.8 billion

Net Debt to EBITDA



- Group Debt position continued to decrease
- Significant improvement in the ratio during FY2025
- Net Debt to EBITDA was at 0.64x by end-2025

ROIC (YTD)



- ROIC rose by 9.0pp YoY to 19.8% aided by greater profitability

The Group maintained its National Long-Term Rating of 'AAA (lka)' given by Fitch Ratings. This rating of 'AAA (lka)' with a stable outlook denotes the highest rating assigned by the agency in its National Rating scale for Sri Lanka. Fitch does not envisage any negative rating action in the medium-term due to the standalone strength of the business profile, low financial leverage and implied support from the stronger parent.

Dialog Axiata PLC

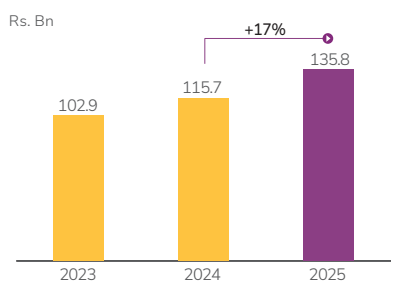
Financial Review

In FY2025, the Company's key business segments, Mobile, Tele-infrastructure and Digital Services, accounted for 76% of the Group's total revenue. The Company's revenue grew 17% YTD, reaching Rs. 135.8 billion, primarily driven by an increase in the data segment. By the end of the fiscal year, the Company successfully maintained its market leadership position, holding a market share of 64%. This achievement was also supported by Airtel's contribution, as the mobile subscriber base grew to 19.6 million. Blended minutes of Use (MOU) increased by 3% while Average Revenue per User (ARPU) increased by 12%.

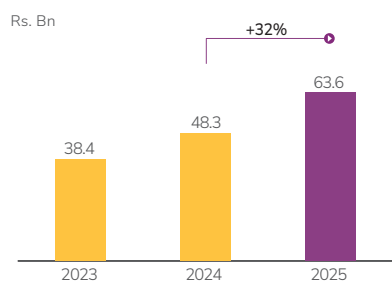
The Company profitability continued to be impacted by elevated energy costs. However, with the traction gained on cost-rescaling initiatives, the overall cost base contracted resulting in EBITDA recording a growth of 32% YTD to reach Rs. 63.6 billion for FY2025.

Driven by topline performance and cost rescaling initiatives, Company NPAT was recorded at Rs. 15.6 billion for FY2025, up 41% YTD. The forex loss reached Rs. 1.4 billion for FY2025.

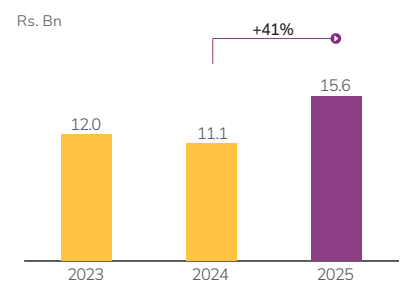
Revenue



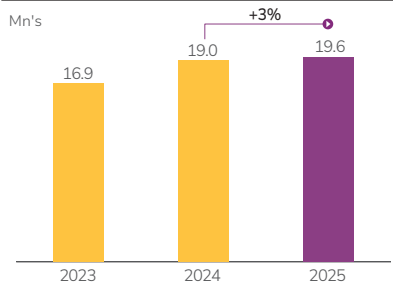
EBITDA



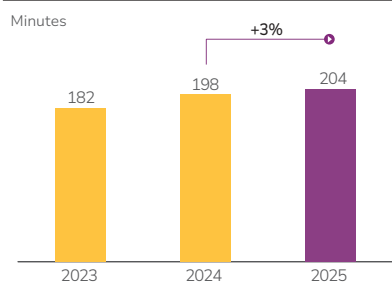
NPAT



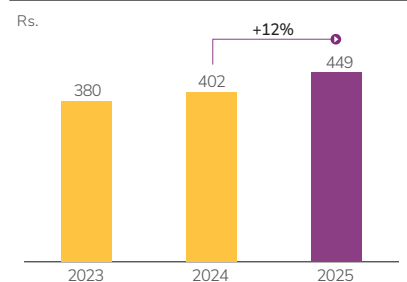
Mobile Subscribers



Blended MOUs



Blended ARPUs



Financial Capital

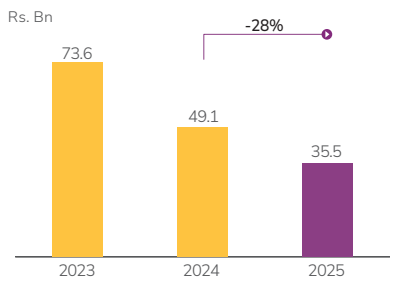
Dialog Broadband Networks

Financial Review

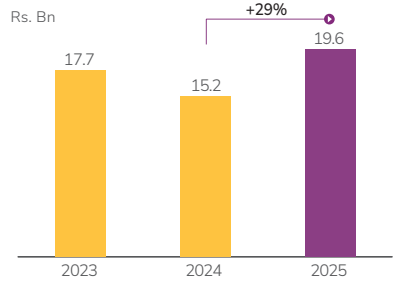
In FY2025, Dialog Broadband Networks (DBN) featuring the Group's Fixed Telecommunications, Broadband and International businesses recorded a 28% YTD decline in revenue to Rs. 35.5 billion due to the conscious decision to curtail the low-margin hubbing business. The International business contributed 9% to DBN revenue whilst recording a decline of 83% YoY. Fixed Broadband revenue and Data and Leased Lines revenue grew by 5% YoY and 16% YoY, respectively.

DBN EBITDA grew 29% YTD to Rs. 19.6 billion for FY2025, while the EBITDA margin improved by approximately 24pp to 55%. DBN NPAT rose >100% YTD to Rs. 6.1 billion, primarily due to higher EBITDA.

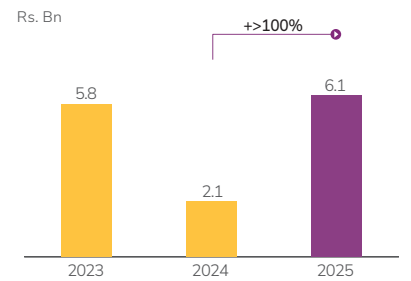
Revenue



EBITDA



NPAT



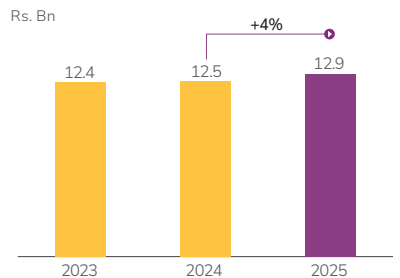
Dialog Television

Financial Review

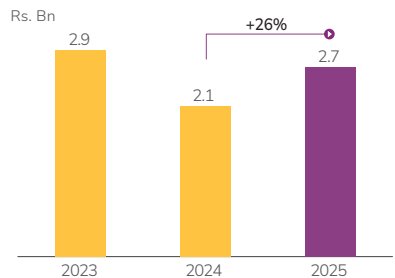
Dialog Television (DTV) sustained its leadership position in the digital pay television segment despite operating in a challenging environment marked by subdued consumer spending. Through effective churn management initiatives, DTV maintained a stable subscriber base of over 1.6 million during 2025. Supported by growth in both subscription and advertising revenue streams, DTV recorded a 4% YTD increase in revenue, reaching Rs. 12.9 billion for the financial year ended 2025.

DTV recorded an EBITDA growth of 26% YTD to reach Rs. 2.7 billion for FY2025. However, DTV NPAT remained negative to record a loss of Rs. 0.7 billion for FY2025.

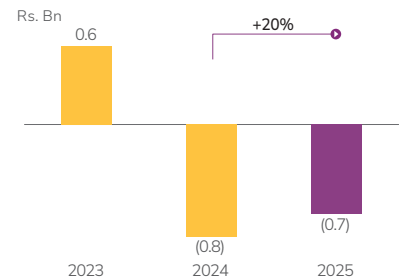
Revenue



EBITDA



NPAT



Group Financial Position

Strong and Resilient Balance Sheet

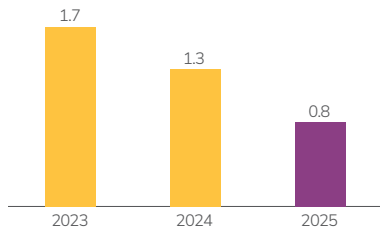
During the year, Dialog further strengthened its balance sheet resilience through a series of targeted initiatives. Total borrowings reduced to Rs. 76.5 billion down from Rs. 107.7 billion. The Group also significantly curtailed its net USD exposure to USD 10.5 million, thereby mitigating forex-related volatility.

In parallel, with improving interest rate stability, the debt portfolio was rebalanced towards a higher proportion of fixed-rate borrowings, reducing exposure to interest rate fluctuations.

These measures collectively enhanced financial stability, with the gross debt-to-equity ratio improving to 0.8 in 2025 from 1.3 in 2024.

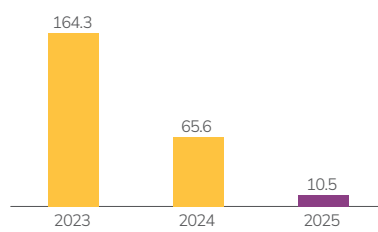
Debt to Equity

x (times)



Net USD Exposure

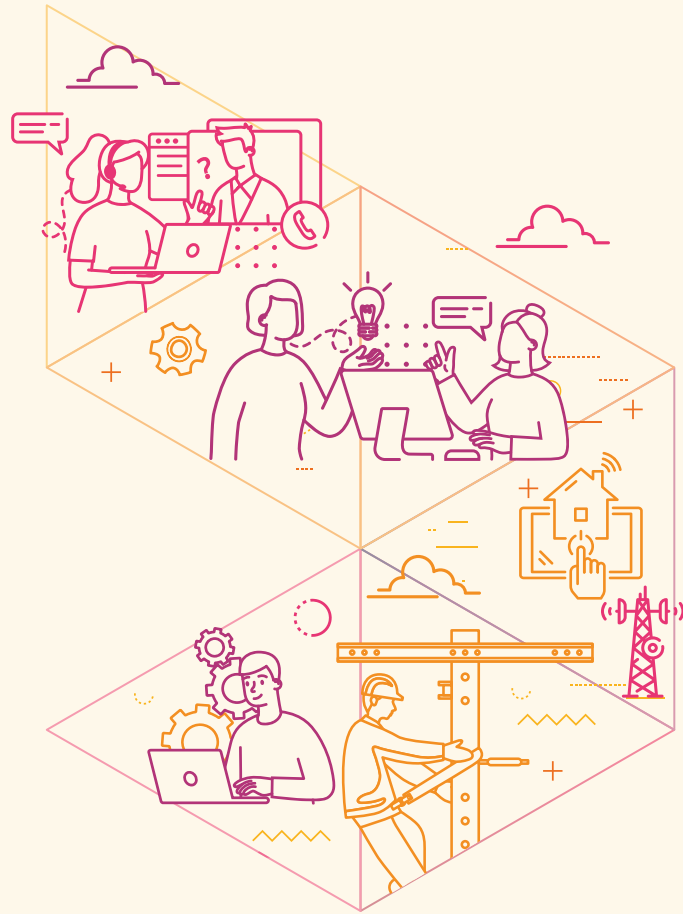
USD Mn



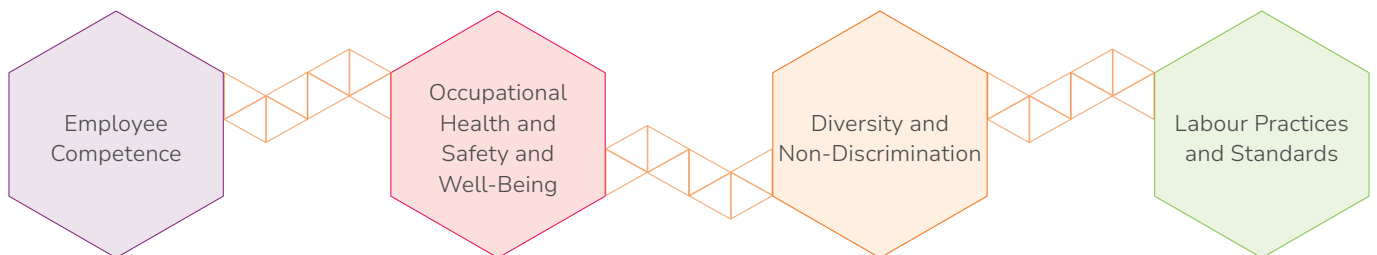


Human Capital

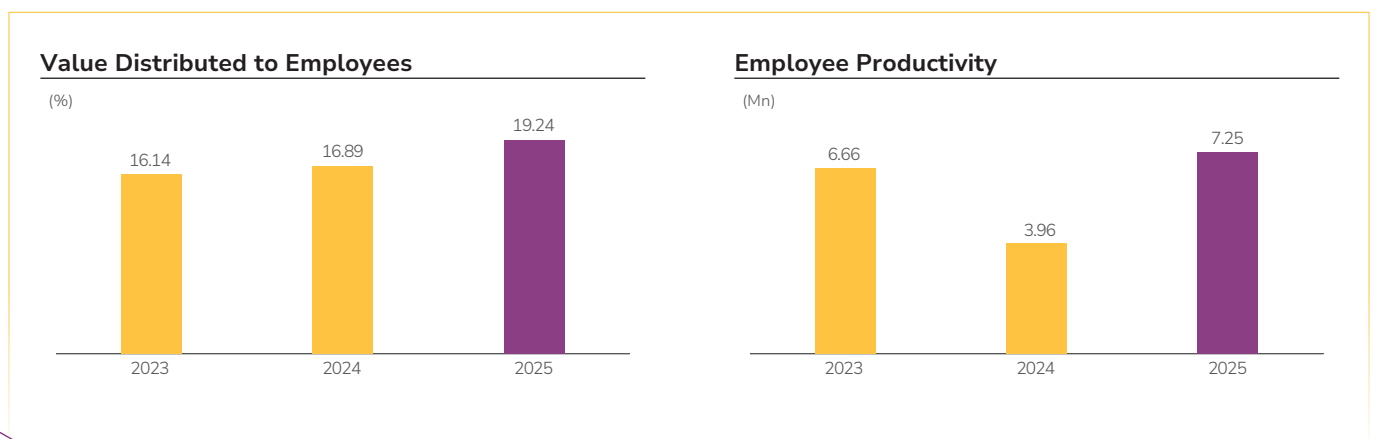
Our people are a key strength of Dialog, bringing together the expertise, experience and commitment required to operate in a dynamic and fast-evolving industry. As an essential service provider, our teams work around the clock to keep communities connected to opportunities, information and critical services, including during times of disruption. Building a skilled, resilient and future-ready workforce through attraction, development and retention therefore remains central to our ability to innovate, serve and grow.



Our Material Topics



Overview of Human Capital



Celebrating Achievements

- Employers' Federation of Ceylon (EFC) National Best Employer Awards 2025

Recognised among Sri Lanka's Top 10 Employers

- DEI Champions Awards 2025 Organised by the Ceylon Chamber of Commerce

National Award for 'Best DEI Initiative'

Great HR Awards

- Sector Winner** for Telecommunication, ICT and BPM Services (Dialog Business Services)
- Overall Winner** in the Large Business Category (Dialog Business Services)
- Winner - Excellence Award** for Best Reward Management (Dialog Axiata PLC)
- Merit Award** – Telecommunication, ICT and BPM Services Sector (Dialog Axiata PLC)

Managing Human Capital

GRI 12 3.3

The Board Nominations and Governance Committee (BNGC) has oversight responsibility for management of Human Capital, advising the Board on remuneration and rewards, capacity building, health and safety, and other related areas. Additionally, we also comply with the policies and direction provided by our parent company. The following policies guide day-to-day management of human capital.

- Code of Conduct and Ethics
- Human Resource Policy Framework
- Recruitment and Selection Policy
- Occupational Health and Safety Policy
- Performance Management Policy
- Internal Mobility Policy
- Reward, Compensation and Benefits Policy
- Learning and Talent Development Policy
- Diversity, Equity and Inclusion Policy
- Disciplinary and Corrective Action Policy
- Conflict of Interest Framework and Playbook
- Speak Up Policy

Strategy

Dialog's HR strategy in 2025 focused on stabilisation after crisis, retention of critical skills, and long-term workforce sustainability, aligned to business recovery and transformation priorities:

- Retain critical and scarce talent (Technology, Digital, Network, Cyber, Data and AI) through targeted rewards and differentiated pay positioning
- Transition from crisis-driven broad increments to pay-for-performance and variable-led rewards
- Strengthen leadership pipelines through structured development programmes (further details given below under Learning and Development)
- Rebuild engagement and trust following restructuring and cost containment cycles
- Maintain HR cost discipline while protecting business-critical capabilities

Short, medium and long-term workforce planning is embedded into annual business planning and talent reviews.

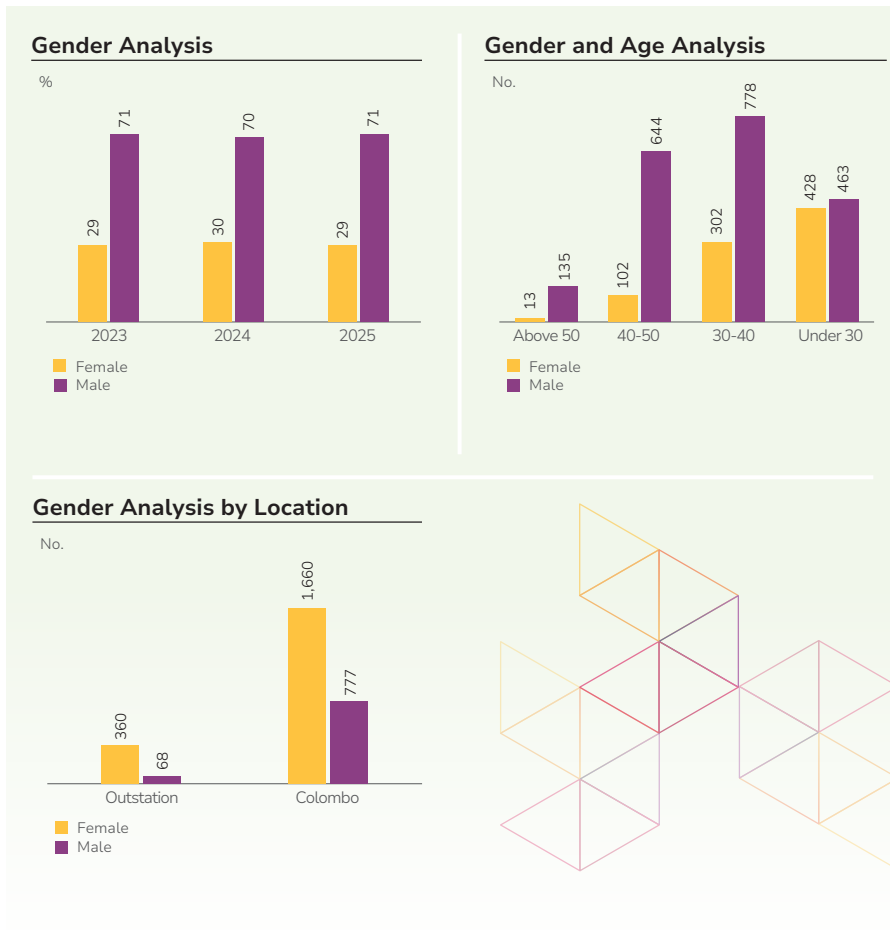
Strategic Priorities	Key Achievements in 2025	Short, Medium and Long-Term Plans
Protecting Critical Talent and Future Skills	<ul style="list-style-type: none"> Overall attrition reduced to ~12% in 2025, down from higher crisis-year levels. Attrition among critical talent pools reduced to single-digit levels. Dialog remained below industry attrition benchmarks, especially in tech roles. 	<ul style="list-style-type: none"> Retention of critical and scarce tech talent (AI, Cloud, Cyber, Data, DevOps) remains the core strategic priority. Shift from broad-based crisis increments to targeted, skill- and performance-linked rewards. Use of differentiated pay positioning to higher market percentile to retain top and high-impact performers. Continued use of variable pay, skill-based allowances and interim adjustments as a more cost-effective alternative to replacement. Mature Long-Term Incentive Plan (LTIP) and variable pay mechanisms as primary retention levers for senior and critical talent.

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Strategic Priorities	Key Achievements in 2025	Short, Medium and Long-Term Plans
Pay-for-Performance with Cost Discipline	Maintain HR Cost to Revenue discipline: <ul style="list-style-type: none"> Group HR cost kept in line with industry benchmarks 	Reinforce a pay-for-performance culture through: <ul style="list-style-type: none"> Segmented increment matrices Strong linkage to performance ratings Higher variable pay for top talent rather than across-the-board fixed cost increases
Recovery from Crisis to Sustainable Normalisation	Gradual move from inflation-led corrections to market-aligned and productivity-linked rewards	Address lingering employee pressure from: <ul style="list-style-type: none"> High taxes Cost-of-living erosion
Engagement, Culture and Workforce Sustainability	Employee Engagement Score improved by 9pp compared to 2024, with employee satisfaction index rated 86% for engagement events	<ul style="list-style-type: none"> Improve employee engagement and morale after multi-year restructuring and rightsizing. Reinforce trust through transparent reward frameworks. Continue investments in talent development, leadership capability and engagement initiatives alongside compensation.

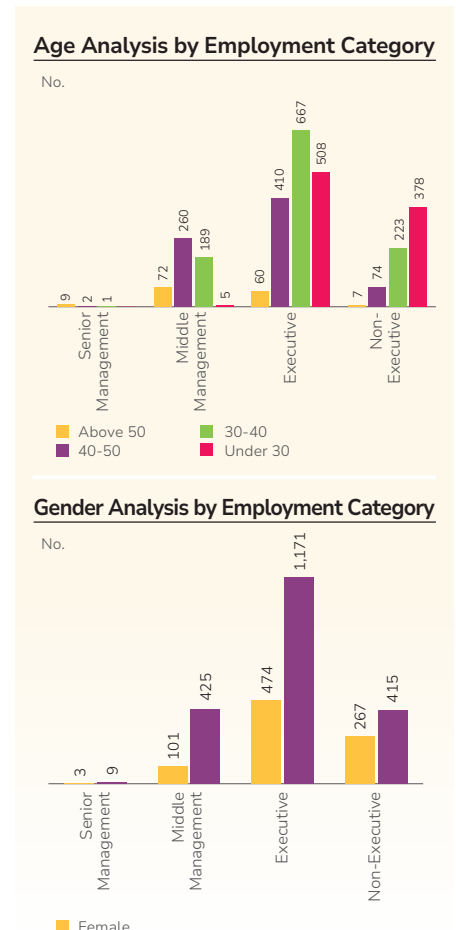
Employee Profile

GRI 13 2-7, 2-8, 2-30



Diversity and Inclusion

GRI 14 405-1



Policies, Governance and Processes Supporting Diversity and Inclusion

Diversity, Equity and Inclusion (DEI) is embedded within Dialog's governance framework and organisational policies, ensuring that inclusion is driven from leadership and sustained through accountable processes across the Group.

At the governance level, DEI is overseen as a strategic people and culture priority, with structured reviews and reporting mechanisms in place. Progress on DEI commitments is monitored through quarterly reviews, employee engagement surveys, and established internal reporting channels, ensuring visibility and accountability at senior leadership level. An independently governed whistleblowing and speak up mechanism, benchmarked against international standards, further reinforces a culture of fairness, transparency and psychological safety across the organisation.

Dialog's DEI approach is operationalised through a comprehensive set of Group-wide people policies, including Recruitment, Learning and Development, Performance Management, Talent Development, and the Code of Conduct. These policies are designed to ensure equitable access to opportunity, merit based decision making, and consistent application across all business units and subsidiaries. DEI principles are embedded across the employee

'Best DEI Initiative' at the DEI Champions Awards 2025 organised by the Ceylon Chamber of Commerce through the SCOPE Programme and co-financed by the European Union and the German Federal Foreign Office

lifecycle, with a clear focus on gender equality, youth and inclusive hiring, disability inclusion, and the promotion of a respectful and harassment-free workplace.

Governance bodies and leadership pipelines are supported through inclusive talent and succession practices, ensuring that leadership development and advancement decisions are guided by structured criteria rather than informal networks. Inclusive leadership capability is further strengthened through targeted development interventions, reinforcing leaders' accountability for fostering diverse and inclusive teams.

Dialog's internal governance is also aligned with global best practices and external commitments, as evidenced by its signatory status to the UN Women's Empowerment Principles, the GSMA Connected Women Initiative, and the GSMA Principles for Driving Digital Inclusion. These commitments provide a clear external benchmark against which policies, leadership behaviours and organisational outcomes are measured. The Company's DEI practices and disclosures are further aligned with recognised global reporting frameworks such as GRI, SASB, and GSMA, ensuring consistency, transparency and comparability.

Together, these policies, governance structures and assurance mechanisms ensure that DEI at Dialog is not treated as an isolated initiative, but as an integral component of ethical governance, leadership effectiveness and sustainable business performance.

Key Initiatives Supporting the DEI Champions Award Recognition

Dialog's recognition at the DEI Champions Awards 2025 was underpinned by a portfolio of sustained, measurable initiatives that translate policy intent into tangible outcomes for employees, leaders and the wider community.

1. Strengthening Gender Equity and Family Support

Dialog has introduced progressive people-centric initiatives to support working parents and advance gender equity in the workplace. These include parental leave and childcare support which is detailed in Parental Leave. These measures reinforce shared caregiving responsibilities and support work-life integration, particularly promoting women's sustained participation in the workforce.

2. Women's Leadership, Empowerment and Visibility

Api Dialog Powered Women Programme

This internal programme positions senior female leaders as ambassadors to drive Group-wide initiatives focused on:

- Empowerment
- Mentorship
- Visibility

The programme strengthens leadership pipelines while fostering role modelling and inclusion across the organisation.

Human Capital

Yeheli – Digital Platform for Women

Based on research into barriers faced by women in accessing digital services, Dialog launched Yeheli, a digital platform that supports women's well-being and empowerment through expert guidance on health, relationships, and social issues in a safe chat-based environment.

The platform is accessible to all users, with ongoing development of an AI-powered, voice-enabled chatbot to further enhance inclusivity.

3. Inclusive Recruitment, Hiring and Talent Development

Dialog has embedded DEI practices into core people processes, even in the absence of a standalone DEI policy.

Key initiatives include:

- ▶ Gender-neutral recruitment with no gender references in job descriptions or advertisements.
- ▶ Bias-reducing hiring practices, including structured interviews, diverse interview panels, and cross-functional participation.
- ▶ Equitable remuneration practices, ensuring fair and consistent treatment regardless of gender, ethnicity, or background.
- ▶ Internal mobility and upskilling, providing equal access to opportunities for career progression.

As part of inclusive hiring, Dialog engaged individuals with visual impairments through a structured training programme at customer care centres and appointed a visually impaired consultant to review and enhance digital accessibility.

4. Inclusive Workplace Culture

DEI principles are mandated across Dialog's culture and engagement initiatives, ensuring inclusivity across religion, ethnicity, gender, and age.

Core DEI-aligned engagement initiatives include:

- ▶ International Women's Day
- ▶ Mother's Day and Father's Day celebrations
- ▶ Iftar for all
- ▶ Sinhala and Tamil New Year, Vesak, Diwali, and Christmas celebrations
- ▶ Dialog Awards Ceremony
- ▶ Leadership Development Programmes
- ▶ Women-centric initiatives such as Yeheli, Breast Cancer Awareness, and "Yes, We Can"

These initiatives reinforce Dialog's organisational values and promote a strong sense of belonging and inclusion.



5. Empowering Persons with Disabilities (PWDs)

Dialog has undertaken several initiatives to support the inclusion of PWDs both within the workplace and in the wider community.

Dialog-MAS Enabler Programme: A partnership providing corporate immersion opportunities for university students with visual, hearing, and mobility challenges, building workplace skills and confidence.

Inclusive Customer Access:

- 🟢 Recruitment and training of visually impaired individuals at customer care centres.
- 🟢 Enhancement of digital platforms to ensure accessibility compliance.

DeafTawk: A trilingual sign-language interpreter support service enabling inclusive customer engagement for deaf users across customer service touchpoints.

Ratmalana Audiology Centre: A long-standing initiative providing free hearing and speech services to children and low-income communities, supporting inclusive healthcare and disability empowerment.

6. Inclusion of Senior Citizens

Dialog Prashansa

A dedicated postpaid offering for senior citizens and government pensioners, complemented by awareness forums and digital literacy sessions, supports seniors in adopting digital tools and services, addressing age-related digital exclusion.

7. Community-Level Digital and Economic Inclusion

Education Equity

Nenasa: A free trilingual education platform delivering curriculum-aligned content for students from Grades 1 to 13 across television, mobile, and digital channels. It bridges the urban-rural education divide by ensuring equitable access to quality learning resources nationwide.

Rural and Coastal Livelihood Support

Govi Mithuru: Provides daily, crop- and location-specific voice advisories to smallholder farmers, including women-led households, supporting productivity and income resilience.

Sayuru: Delivers trilingual SMS and voice alerts on weather, safety, and potential fishing zones to small-scale fishermen, ensuring critical information reaches coastal communities.

8. Governance and Impact Measurement

Dialog adopts a structured and data-driven approach to DEI governance and impact measurement:

- ▶ Quarterly management reviews tracking DEI progress and future plans
- ▶ Employee engagement surveys assessing inclusivity and policy effectiveness
- ▶ A confidential whistleblowing mechanism promoting transparency and ethical conduct
- ▶ Alignment with global frameworks and reporting standards such as GRI, SASB, GSMA, SLFRS and TNFD

DEI outcomes are monitored as part of overall organisational performance, ensuring accountability and continuous improvement.

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A key enabler has been Dialog's focus on inclusive leadership development, including programmes such as the Change Catalyst Programme, which equips leaders with the skills and mindset required to lead diverse teams, challenge unconscious bias, and drive inclusive decision making. These programmes reinforce leadership accountability for DEI outcomes and ensure that inclusive behaviours are embedded at managerial and governance levels.

The organisation has also prioritised workplace inclusion and employee well being, particularly for under represented groups. Dialog supports working parents through extended maternity and paternity leave provisions, childcare assistance and supportive workplace practices, enabling greater workforce participation and retention. Inclusion for PWDs is advanced through initiatives such as the Dialog-MAS Enabler Programme, which focuses on creating meaningful employment opportunities and removing structural barriers to participation. We supported 13 PWDs in 2025 and supported over 35 in the past three years.

Cultural inclusion remains a core pillar of Dialog's DEI strategy. The Company actively promotes engagement across Sri Lanka's multi-religious and multi-ethnic landscape through cultural celebrations, awareness initiatives and employee engagement platforms that encourage mutual respect and understanding. These efforts contribute to a strong sense of belonging and reinforce Dialog's values across a diverse workforce.

These initiatives are supported by continuous measurement and feedback mechanisms, including engagement surveys and structured reviews, ensuring that progress is monitored, risks are identified early, and interventions remain relevant and effective.

Gender Pay Gap

GRI 15 405-2

Dialog has a non-discrimination policy and strives to ensure equal pay, irrespective of gender. However, there is a narrow gender pay gap observed which keeps changing both ways, largely due to talent market dynamics and performance assessment impacts. As witnessed below, females in the Non-Executive category had higher pay in 2024 although it dropped below the male average in 2025. The pay gap has narrowed in both Executive and Senior Management categories while females in the management category continue to earn higher than their male counterparts.

Employee Category	2025	2024
Non-Executive	1: 0.89	1:1.29
Executive	1: 0.97	1: 0.94
Management	1: 1.13	1: 1.12
Senior Management	1: 0.91	1: 0.85

Parental Leave

GRI 16 401-3

Dialog is mindful of the need to facilitate employee retention, particularly of female employees by providing maternity and paternity leave.

- Maternity Leave: Extended paid maternity leave beyond statutory requirements, with up to 100 days provided to support maternal well-being and recovery.
- Paternity Leave: Paid paternity leave of up to 10 days, enabling shared caregiving responsibilities and supporting early family bonding.
- Newborn Savings Support: Introduction of a newborn baby gift savings account through Dialog Finance, available to both male and female employees, promoting early financial planning for children.
- Childcare Support: Provision of childcare assistance initiatives, with reimbursements for professional nannies and daycare services for eligible employees with children aged 0-7 years.

	2025		2024	
	Male	Female	Male	Female
Total number of employees that were entitled to parental leave	33	10	39	20
Total number of employees that took parental leave	31	10	35	20
Total number of employees that returned to work in the reporting period after parental leave ended	31	10	35	20
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	29	08	28	11
Return to work and retention rates of employees that took parental leave	RW-100% RR-93.5%	RW-100% RR-80%	RW-100% RR-80%	RW100% RR-55%

Non Discrimination

There were no reported incidents of discrimination.

A Sound Value Proposition

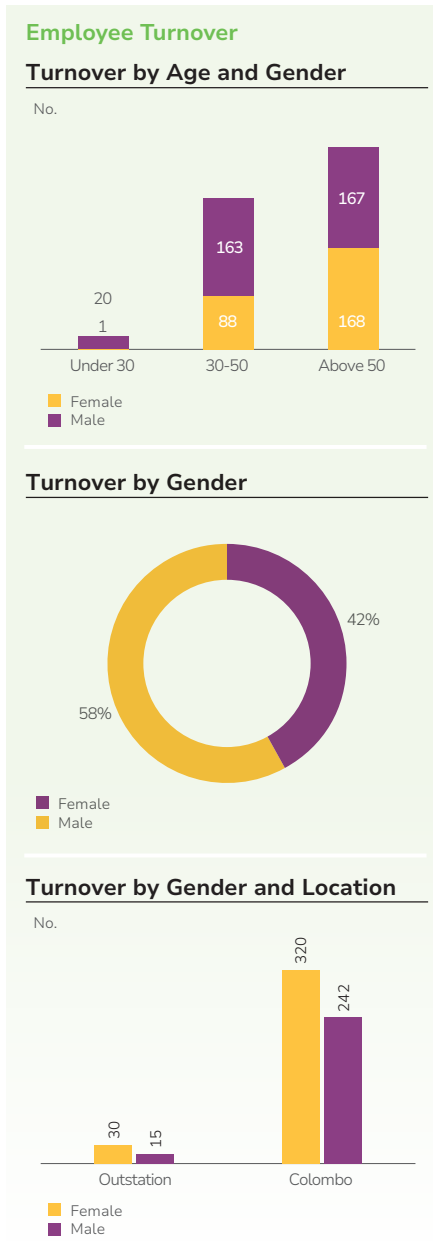
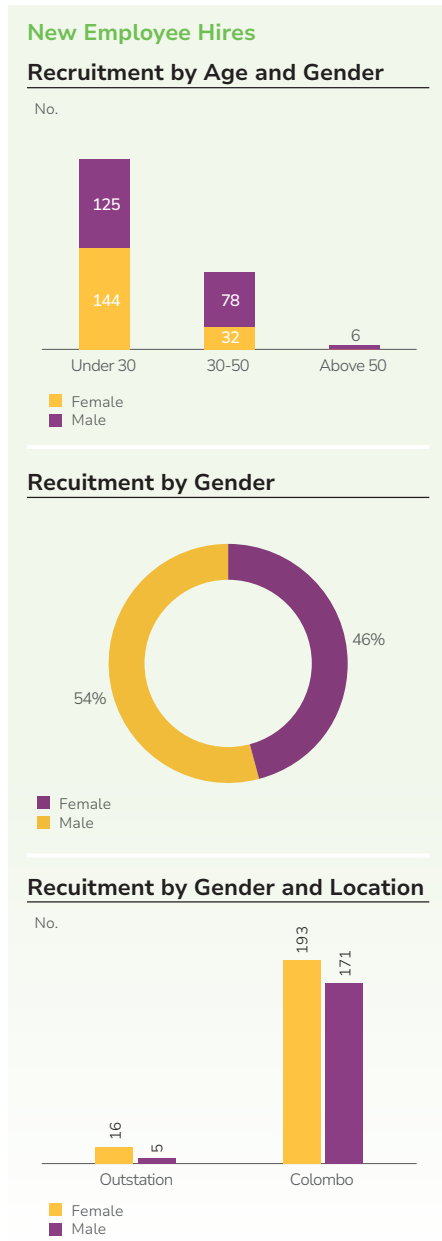
GRI 17 201-3

Benefits which are standard for full-time employees of the organisation but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum:

- i. life insurance;
- ii. health care;
- iii. disability and invalidity coverage;
- iv. parental leave;
- v. financial support for childcare
- vi. retirement provision;
- vii. stock ownership;
- viii. others.

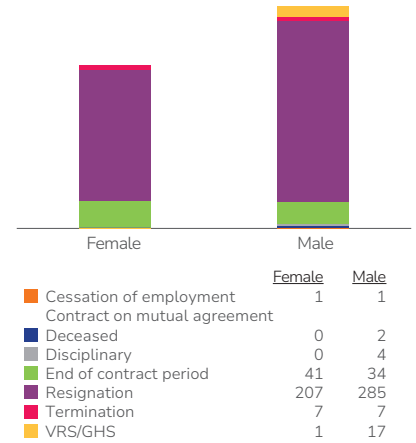
Strengthening Our Talent Pipeline

During the year, Dialog recruited 385 employees, of which over 20 were new jobs created, expanding our team. 130 employees were promoted, supporting career growth within the Group.



Analysis of Employee Turnover

No.



The trends observed in employee turnover can be primarily attributed to the lingering effects of prior-year restructuring and rightsizing initiatives, market driven demand for digital and technology skills, tax and cost of living pressures impacting employee disposable income. In response to these challenges, remedial actions have been implemented, including targeted retention and market corrections for critical roles, shift from broad based increments to differentiated rewards, strengthened career development and internal mobility. Dialog also enhanced employee engagement and well-being initiatives to facilitate employee retention, team building and good health of our employees.

Occupational Health and Safety Management System

GRI 19 201-3

Although there is no legal requirement for a service organisation to have an Occupational Health and Safety Management System (OH&S MS), Dialog has one covering all employees. Additionally, it has been certified as compliant with the ISO 45001:2018 standard on OH&S reflecting the robustness of the system.

Hazard Identification and Risk Assessment (HIRA) activities are carried out by the Occupational Health and Safety (OH&S) Manager, who is

Human Capital

formally recognised as competent in the subject matter. Standard Operating Procedures (SOPs) related to HIRA have been developed, approved, and made accessible through the OH&S web portal for reference at any time.

The OH&S function conducts planned and systematic workplace monitoring across multiple operational locations. This includes:

- Annual visits to regional Dialog operating locations
- Quarterly inspections of core site facilities
- Regular visits to randomly selected additional locations to ensure broad coverage and continuous oversight

The Manager – OH&S carries out hazard identification, risk assessments, and OH&S training sessions for employees of Dialog and its subsidiaries.

Based on these assessments, appropriate control measures are proposed and communicated to the relevant teams, including Group Facilities Management (GFM), Internet Data Centres (IDC), subsidiary administration teams, and regional and head-office management, for implementation in coordination with vendors or registered service providers. The OH&S team also conducts follow-up reviews to verify the implementation and effectiveness of the agreed-upon controls, ensuring continuous improvement in workplace safety performance.

All identified hazards and assessed risks are presented to the OH&S Committee, the Risk and Compliance Management Committee (RCMC), and the Board Risk and Compliance Committee (BRCC), along with the proposed and agreed control measures. The effectiveness of implemented control measures is reviewed during the monthly OH&S Committee meetings, chaired by the Group Chief People Officer (GCPO).

Following implementation, the OH&S team engages with the relevant operational teams to confirm their satisfaction with the controls and to ensure their practical effectiveness. Final outcomes, including validated solutions and implemented control measures, are subsequently reported to both the RCMC and BRCC for oversight and governance.

Multiple channels for hazard and incident reporting	This ensures timely communication from employees, contractors, and partners.
Competency-based hazard identification and risk assessment	This is led by trained OH&S professional with the support of OH&S representatives, and the location incharges.
Corrective actions based on the hierarchy of controls	This ensures prioritisation of elimination, substitution, engineering, administrative controls, and personal protective equipment.
Follow-up monitoring of implemented controls	This enables us to verify the effectiveness of controls implemented and ensure continuous risk reduction.
Governance through OH&S committee oversight	This supports continual improvement of safety systems.
Protection and empowerment of workers	This reinforces their right to refuse unsafe work and report concerns without repercussions.
Alignment with ISO 45001:2018 requirements	This ensures compliance with internationally recognised OH&S management principles.

Hazard Identification, Risk Assessment and Incident Investigation

GRI 20 403-2

Dialog has multiple channels for hazard and incident reporting including the OH&S portal, or through their floor-level OH&S representative, the OH&S Manager, their HR Partner or HR Manager, or their divisional supervisor. All incident reports submitted through any channel are received by the OH&S Manager. Each report is then reviewed, and the associated risk is assessed using the risk matrix defined within the Dialog OH&S Management System. This systematic approach ensures that all incidents are investigated thoroughly, underlying causes are addressed, and the overall OH&S Management System continues to strengthen over time.

Dialog has a Group-wide OH&S Management System covering all employees and controlled workplaces which is aligned to ISO 45001:2018. It is underpinned by a formal hazard identification, risk assessment and incident investigation

processes which is key to managing the related risks. Multiple reporting channels including OH&S portal and representatives facilitate robust reporting which in turn feeds the incident investigation and remedial action processes. Importantly, employees empowered to remove themselves from unsafe situations without reprisal which serves to address unforeseen circumstances, ensuring that the health and safety of our employees is not compromised.

Occupational Health Services

GRI 21 403-3

Dialog delivers occupational health services aimed at identifying and minimising workplace hazards and supporting employee well-being. Key programmes include medical screenings, free visual wellness camps, hearing assessments, and check-ups for high-risk staff.

Employees frequently exposed to digital screens receive regular eye checks to prevent vision strain, while call center staff undergo annual hearing tests to monitor auditory health. Those in vulnerable age groups or with chronic health risks are offered company-sponsored medical evaluations for early detection and timely intervention.

When contagious diseases appeared in the workplace, the Company provided vaccinations at its expense for at-risk staff, effectively controlling both outbreaks.

Worker Participation, Consultation and Communication on OHS

GRI 22 403-4

Dialog maintains fully active two-way OH&S communication channels to ensure timely information flow and effective worker engagement. An email group comprising all 278 OH&S representatives is used to share important updates, guidance, and safety information. Representatives are able to respond and request additional details at any time, supporting open and continuous dialogue.

To enhance accessibility and ensure inclusive communication, incident reporting forms have been developed in both English and Sinhala. This enables workers to report hazards and incidents comfortably in their preferred language. Relevant teams are consulted before finalising corrective or preventive controls, and their practical insights and reasoning are considered when determining the most appropriate safety measures.

The organisation's Occupational Health and Safety (OH&S) Committee convenes monthly and comprises 11 members, including the Chairperson, Deputy Chairperson, and Secretary. The committee is chaired by the Group Chief People Officer (GCPO).

In accordance with OH&S representation requirements, 50% (4) of the non-managerial committee members have been appointed by the OH&S employee representatives. All non-managerial members possess relevant OH&S qualifications, including NEBOSH–GCE certification, professional psychology credentials, OH&S certification, and UK IFE Level 2 fire safety qualifications. The remaining 50% (4) of the committee consists of managerial staff with the authority and organisational experience necessary to make and implement OH&S decisions within Dialog. Roles and responsibilities for all committee members, including the Chairperson, Deputy Chairperson, and Secretary, are formally documented. Each member has acknowledged and accepted these responsibilities through signed appointment letters.

Worker Training on Occupational Health and Safety

GRI 23 403-5

The organisation provides a comprehensive range of occupational health and safety (OH&S) training programmes, including fire safety training, first aid training, work-at-height training, electrical safety training, and ergonomic training.

In 2025, a total of 46 OH&S training sessions were conducted, enhancing the safety awareness and regulatory compliance of 2,107 employees. In addition, 12 safety culture programmes were implemented to promote safe behaviours, strengthen risk awareness, and embed proactive safety practices across the workforce.

OH&S training was extended not only to employees of Dialog Axiata PLC but also to staff from subsidiaries, partner organisations, and selected vendor personnel, ensuring broader alignment with the Company's safety standards and expectations.

Promotion of Worker Health

GRI 24 403-6, 403-7, 403-8

Dialog has a comprehensive suite of initiatives that promotes worker health, going beyond occupational health and safety described above. All employees are covered by medical insurance, facilitating access to nonoccupational medical services from private health institutions although all Sri Lankans have access to free government healthcare. Additionally, Dialog also arranges for periodic medical screenings, eye and hearing tests for high risk roles, medical screening and preventive health checks, wellness programmes addressing non-communicable diseases and mental well-being support through digital and partner platforms. A number of voluntary health promotion programmes such as cancer screening and NCD detection programmes are also conducted for employees to raise awareness and facilitate early detection. Additionally, vaccination programmes are carried out during public health risks. This approach reinforces a culture of safety, trust and accountability.

Discounted paid health promotions are communicated to all employees by GHR and respective HR teams of the subsidiaries, and partner groups. For example, hospital cancer screening programmes, diagnosis of non-communicable diseases and full-body checkups.

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Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships

The OH&S standards extended to contractors, vendors and outsourced workers ensure that significant negative occupational health and safety impacts related to occupational hazards and risks are mitigated. Safety requirements embedded into vendor onboarding and contracts and joint inspections and compliance checks are carried out at controlled worksites. Corrective actions are enforced for non-compliance which are followed up to ensure effective implementation.

Workers Covered by an Occupational Health and Safety Management System

Dialog has developed annual site visit plans. During the execution of these plans, Location OH&S Inspection MS forms are completed. If immediate actions are required, the OH&S unit together with the GFM team will take prompt action to rectify issues via JIRA tickets or through the support of registered external vendors.

The table below provides information on the workers covered by an occupational health and safety management system.

	Group		Internally Audited		Externally Audited/ Certified	
	Number	%	Number	%	Number	%
Employees covered by OHS System	All	100	N/A	>90	N/A	N/A
Workers who are not employees covered by OHS System	All	100	N/A	>90	N/A	N/A

Work-Related Injuries

GRI 25 403-9

Based on the past injury and accident records, following are the main root causes for the accidents and injuries.

- Vehicles with poor conditions
- Equipment with poor conditions
- Unsafe conditions especially poor roofs
- Unsafe actions of the staff

Unsafe actions and unsafe vehicles with poor conditions have been the main causes for high-consequence injuries during the reporting period. Accordingly, we have implemented the following actions to address these specific critical issues:

- Standardised the safe vehicle conditions to be hired for Dialog, conducting vehicle inspections to ensure compliance
- Training series were conducted to handle the emergency with proper preparedness
- Assessments have been introduced after the training programmes.

Additional precautionary measures implemented include

- Regular visits and inspections - 149 location inspections were done in 2025
- Regular checking of the building, Personal Protective Equipment, other equipment, electrical appliances, and vehicle-related safety parameters
- A total of 46 OH&S related trainings had been conducted during 2025 to educate and make the staff aware of the hazards and risks they have in their workplace
- 33 emergency evacuation mock drills were conducted within the year

The work-related injuries recorded in 2025 are given below.

	Employees	
	Number	Rate
Fatalities as a result of work-related injury	0	0
High-consequence work-related injuries (excluding fatalities)	0	0
Recordable work-related injuries	15	N/A
Hours worked	779,780	324.45

The above rates have been calculated based on 200,000 hours worked. Staff excluded from the above disclosures include tea stewards, janitorial and security personnel, business partners and sales distributor staff as there is no data gathered about their working hours.

Work-Related Ill Health

GRI 26 403-10

Hazards have been determined by the OH&S Manager of Dialog, based on the competencies gained from the year-long continuous learning, applying the knowledge and desire to continual improvement of the OH&S MS. There were no fatalities nor other cases of recordable work-related ill-health during the year under review.

Hazard Category	Hazard Present at Dialog Locations	Examples of Hazards Encountered at Dialog Workplaces and Locations	Health Risk	Control Measures
Chemical Hazards	Poor Indoor Air Quality	CO ₂ - Carbondioxide CO - Carbonmonoxide O ³ - Ozone VOC - Volatile Organic Compounds	Sick building syndrome Respiratory Illnesses, lung cancers, respiratory diseases, allergy reactions	Monitoring CO2 levels and taking the suitable measures to keep the CO2 level under 1200 ppm as per SL Guidelines issued by Ministry of Environment Sri Lanka.
Biological Hazards	Pests	Mosquitoes	Dengue, Chikungunya, Filaria diseases	Regular pest control programmes. Chemical solution sprays and fogging treatments where and when necessary.
Biological Hazards	Mammals	Dogs Rats Cats	Rabies, leptospirosis, salmonellosis, and ringworm	Staff have been instructed to avoid petting the dogs in the workplace, which are kept in a localised physically separated area where the dogs have been looked after with food, water and ample space for them to live.
Physical Hazards	Harmful radiations Noise Display boards – Blue ray light Lighting	Microwaves which transmit the telecommunication signals from tower to tower	Microwave radiation may cause cancer and disrupt immune systems, and its magnetic fields create long-term nervous disorders.	We measure the exposure level of Microwave radiations bi-annually, in all the high-rise and super high-rise buildings of Dialog.

Learning and Development

GRI 27 404-1 GRI 28 404-1, 404-2, 404-3

Dialog commits to continuous capability building, equal access to learning, and fair career development across the organisation to support and drive the overall business strategies. Learning and development is a material topic for Dialog as the career progression of a workforce of 2,865 depend on enhanced capabilities and the Group’s evolution depend on the team having the skills required to deliver on its strategic priorities.

At Dialog, Learning and Development is a strategic priority that enables sustainable performance, leadership

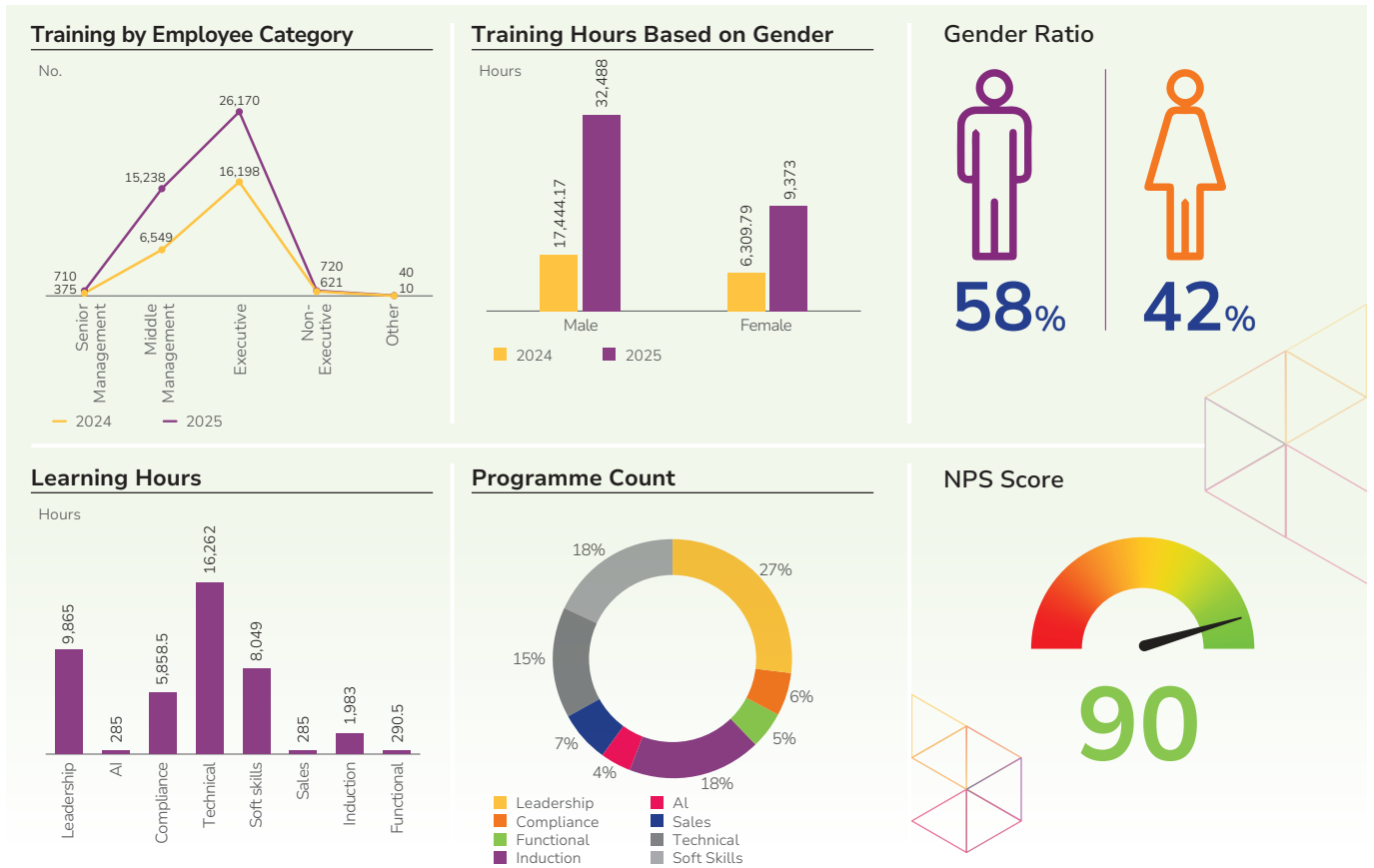
capability, and future-ready skills. Through the Dialog Academy Framework, we adopt a focused and structured people development approach designed to drive Optimum Productivity Levels (OPL) across the organisation. Our commitment is centered on equipping employees with both functional and behavioural capabilities, ensuring continuous growth in line with evolving business and technological demands.

The Dialog Academy delivers targeted development through clearly defined talent development pathways, covering Sales and Service, Technical and

Products, Digital Skills, Leadership and Management, and Behavioural Development, supported by specialised portfolio academies. This integrated model ensures that learning is role-relevant, progressive, and impactful, enabling employees to build deep expertise, strengthen leadership effectiveness, and enhance overall performance. By investing in our people, we aim to retain and nurture top talent, strengthen our employer brand, and build a resilient workforce ready to lead Dialog into the future. In 2025 EES Growth and Career Development verbatim has improved 9.3%.

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With the commencement of the Annual Training Needs Analysis at the beginning of the year, together with the Annual Performance Cycle, staff across the organisation are encouraged to identify the Learning and Development needs required to deliver exceptional performance. Execution of the Learning and Development initiatives will commence upon reviewing the training needs based on business priorities, in consultation with line managers. At the end of each learning and development initiative, a feedback survey will be triggered to evaluate the effectiveness of the programme, which will be regularly reviewed to ensure the continuous improvement of the programmes.

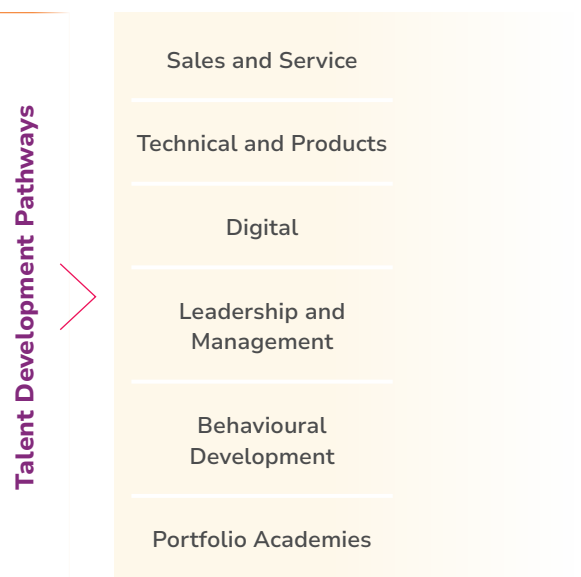
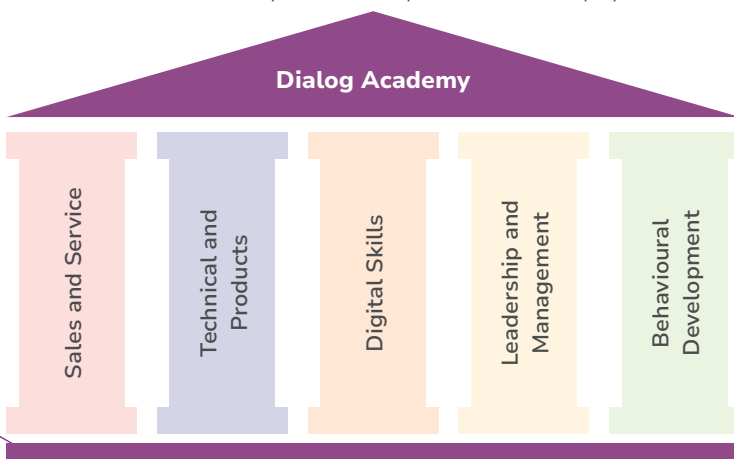


Dialog Learning and Talent Development Strategy

Dialog has a defined Learning and Talent Development Strategy founded on the following pillars.

Dialog Academy and its sub-academies adopt a focused people development strategy to drive Optimum Productivity Level (OPL), focusing on functional and behavioural skill development for both existing and new staff through a segment-of-one approach.

Retain and Protect the Top Talent and Top Skill for Better Employer Brand



Identification of Learning and Development Needs and Opportunities Provided

Dialog's Learning and Talent Development (L&TD) strategy is designed as a strategic enabler of business performance, leadership capability, and future readiness. Learning is not positioned as an isolated activity, but as an integrated part of talent management, succession planning, and organisational sustainability.

The strategy focuses on following verticals with a blended approach of 3 Es (70% Experience | 20% Engage | 10% Educate)

- Building strong leadership pipelines at multiple levels
- Developing enterprise-wide and functional capabilities
- Enabling talent mobility and readiness for future roles

- Ensuring learning translates into on the job impact

Structured development interventions such as CMDP, PLDP, TBET, and DADP form the backbone of Dialog's leadership and talent development ecosystem with the support of well-structured and personalised one-to-one coaching and mentoring interventions.

Learning and development needs at Dialog are identified through a systematic, multi-layered approach, ensuring alignment between business priorities, talent strategy, and individual development needs. This exercise will run alongside the Annual Performance Cycle to ensure the alignment of set KPIs vs. areas for improvement. The process for identifying learning and development needs is summarised below:

2. Performance Management and Talent Reviews

Insights from Dialog's performance management and talent review processes are key inputs in identifying development needs, including:

- Performance outcomes and capability gaps
- Leadership potential and readiness assessments
- Identification of critical roles and successors

Employees identified as high-potential or critical talent are mapped into structured development journeys such as CMDP, PLDP, TBET, or DADP based on readiness and career stage.

4. Employee Feedback and Engagement Inputs

Employee engagement surveys, programme feedback, and development conversations provide insights into:

- Emerging skill requirements
- Effectiveness of learning interventions
- Opportunities to enhance learning relevance and accessibility

This ensures L&TD remains responsive and continuously improved.

Based on identified needs, Dialog offers a structured portfolio of learning and talent development interventions, combining formal programmes with experiential and on-the-job learning.

1. Business Strategy and Organisational Priorities

L&D needs are first derived from:

- Corporate and business unit strategies
- Transformation and digital initiatives
- Operational excellence and customer experience priorities
- Leadership and succession requirements

This ensures learning interventions directly support current and future business needs.

3. Leadership and Capability Assessments

Leadership development needs are further refined through:

- Leadership competency frameworks
- Behavioral and capability assessments
- Managerial Effectiveness scores

These assessments help identify gaps in areas such as leadership mindset, influence, decision making, enterprise thinking, and people leadership, which are then addressed through targeted programmes.

Human Capital

Key Talent Development Interventions

Dialog's key talent development interventions are as follows:

i. CMDP – Corporate Management Development Programme

CMDP is designed to strengthen core management and leadership capabilities for employees transitioning into the Corporate Management level as Senior Managers.

Focus areas include:

- Core leadership competencies and people management skills with one-on-one mentoring
- Performance and accountability
- Communication, feedback and team effectiveness
- Alignment with Dialog values and leadership expectations
- Individual project outside of functional area

CMDP is a six-month blended learning programme, designed to develop both leadership and functional skills through a combination of assessments, structured learning, experiential projects, and post programme evaluation.

The programme follows a comprehensive development journey that ensures learning is practical, applied, and aligned to business priorities.

CMDP supports the development of strong, consistent managers across the organisation who are ready to take up next level leadership positions.

Cohort profile and participation

During 2025, CMDP engaged a cohort of 27 participants, representing a diverse cross-section of the organisation. The programme recorded over 2,170+ learning hours, reflecting a strong commitment to leadership development and capability building.

CMDP also continued to support Dialog's focus on inclusive leadership, with representation across genders and functions. Despite normal talent movement during the programme duration, overall participation remained strong and completion outcomes were robust.

ii. PLDP – People Leader Development Programme

In 2025, the organisation strengthened its leadership pipeline through the successful delivery of the People Leadership Development Programme (PLDP), a strategically refreshed initiative designed to build strong, purpose-driven people leaders. The programme focused on developing first-time managers and managers requiring enhanced people leadership capabilities, ensuring leadership readiness aligned with evolving business needs.

Delivered over a six-month period, PLDP emphasised continuous learning, on-the-job application, and case-study-based assessments, enabling participants to translate learning into meaningful workplace impact. The learning journey integrated soft skills development, functional leadership capabilities, and skills aligned to organisational priorities, reinforcing both individual effectiveness and enterprise contribution.

Learning approach and experience

The programme adopted a blended learning and coaching model, combining expert-led interactive workshops, coaching and mentoring sessions and cross-functional exposure. Participants were exposed to diverse leadership perspectives and practical tools, including diagnostic insights and a structured final assessment.

Participation and diversity

The 2025 cohort comprised 30 participants drawn from multiple functions including HR, IT, Group Technology, Finance, Marketing,

Internal Audit, PM & SCM, and Business Units, strengthening cross-functional collaboration and enterprise thinking. The programme recorded 76% female and 24% male participation, reflecting a strong commitment to gender diversity within the leadership pipeline. A total of 29 participants successfully graduated, contributing to over 2,100 cumulative learning hours during the programme.

Leadership philosophy and impact

PLDP 2025 was anchored on three core leadership commitments:

- Leading with trust and integrity
- Owning outcomes beyond defined roles
- Winning together through enterprise-wide collaboration

These principles reinforced leadership accountability, ethical decision-making, and collective success, culminating in a structured graduation that recognised participants' readiness to lead with confidence and purpose.

iii. TBET - Transforming Business with Emerging Teams (TBET)

In 2025, the Group continued to strengthen its leadership pipeline through the Transforming Business with Emerging Teams (TBET) programme, a targeted leadership development initiative designed to create transformational leaders capable of driving sustainable business impact. Anchored in Axiata's Winning Culture and aligned to the core values of Obsession for Customers, Courage for Change, and Passion for Collaboration, TBET focused on enabling leaders to lead self, teams, and business transformation with authenticity and agility.

The programme was delivered through four structured, in person group coaching sessions conducted over a bi monthly cycle. Key learning modules covered learning agility and self-awareness, values based leadership, leading self and teams,

and leading with agility, supported by experiential learning, reflective exercises, and peer dialogue. Participants developed personalised post programme action plans to translate insights into sustained behavioural and business impact. TBET catered to leaders from specialist to senior management levels, reinforcing the Group's commitment to building a strong, future ready leadership bench across the organisation.

iv. DADP – Dialog Accelerated Development Programme

DADP is designed for advanced or accelerated talent segments, supporting readiness for senior or strategically critical roles. This programme is designed to identify the talent pipeline to support the succession planning process of Dialog.

The programme emphasizes:

- ▶ Strategic thinking and decision making
- ▶ Enterprise leadership and complexity management
- ▶ Exposure to senior leadership perspectives
- ▶ Application of learning to strategic business challenges
- ▶ Talent mobility to create development opportunities

DADP strengthens Dialog's ability to develop internal leadership bench strength for the future.

Performance Management Framework

During the year under review, the Group continued to strengthen its Performance Management Framework (PMF) to ensure strong alignment between corporate strategy, leadership accountability, and individual performance outcomes. The framework is designed to drive execution excellence by cascading strategic

priorities into measurable performance commitments across all levels of the organisation.

Strategic Alignment and Cascade

The PMF establishes a clear line of sight from corporate and shareholder priorities to individual scorecards. Performance targets are derived from Corporate KPIs, GCEO targets, Axiata KPIs and Annual Business Plan objectives, which are cascaded to CXOs and their direct reports, and subsequently translated into functional and individual performance goals. This structured cascade ensures consistency, accountability, and strategic coherence across the organisation.

Performance Management Process

All our employees receive regular performance and career development reviews. The performance cycle follows a structured, end-to-end process encompassing goal setting, continuous performance dialogue, assessment, and governance. The key stages include:

- ▶ Scorecard Setting, supported by one on one performance conversations, scorecard creation and formal approval
- ▶ Mid Year Review, comprising self review, mid year performance discussions, and supervisor review
- ▶ Annual Review, including self assessment, annual performance conversations and supervisor evaluation
- ▶ Moderation, conducted through Divisional, Portfolio and Main Talent Councils to ensure fairness, consistency and calibration of outcomes

In addition, the framework incorporates formal mechanisms for managing performance-related grievances and performance improvement plans, reinforcing procedural fairness and performance integrity.

Scorecard Design

Individual scorecards are structured around defined performance dimensions such as profitability and efficiency contribution, with clearly articulated KPIs, weightages, units of measurement, review frequency, targets, and rating rulers. Performance is reviewed periodically, ensuring progress tracking and timely course correction throughout the year.

Performance Improvement Plans

Employees requiring additional support to improve performance are managed through a structured Performance Improvement Plan (PIP) process. PIPs may be triggered based on year-end outcomes or ongoing performance concerns, with clearly defined action plans, timelines and review checkpoints. This process reinforces the organisation's commitment to performance improvement through guidance, support and accountability.

Grievance Management

The PMF includes a formal performance-related grievance process, enabling employees to raise concerns within defined timelines using a standardised format. Grievances are reviewed through appropriate governance forums, ensuring transparency, procedural fairness and consistency, while maintaining the integrity of performance standards.

Upholding Human Rights

GRI 29 407-1, 408-1, 409-1, 410-1

Right to Freedom of Association and Collective Bargaining

The Company does not impose any restrictions on these rights of freedom of association and collective bargaining and is fully committed to upholding all labour laws of the land. However, none of our employees belong to any trade union and are paid well above the minimum wage rates.

Human Capital

Risk of Child Labour

The Company strictly prohibits the employment of child labour within its own operations and is fully compliant with all applicable legal minimum working age requirements. Robust hiring procedures and verification controls are in place to ensure adherence to these standards. Furthermore, the Company communicates clear expectations to suppliers, requiring compliance with applicable child labour laws and internationally recognised labour standards.

Risk of Forced or Compulsory Labour

The Company maintains a zero-tolerance policy toward all forms of forced, bonded, or compulsory labour. The Company is committed to conducting our business ethically and fairly and require suppliers and partners to uphold the same standards.

Security Personnel Trained in Human Rights Policies or Procedures

All security personnel are regularly briefed on the standards of conduct and professional boundaries expected in the performance of their duties, ensuring that they uphold the dignity of employees and other stakeholders who visit our premises.

Way Forward

Over the years, Dialog has built a comprehensive employee value proposition that facilitates fair remuneration, opportunities for career progress, learning and development and their health and well-being. This has enabled Dialog to attract talented employees and build strong talent pipelines internally while also facilitating access to external talent pools in critical areas. Our plans to strengthen these and align to changing labour market dynamics and employer best practice are set out below.

Short-Term	<ul style="list-style-type: none">▶ Stabilise engagement, retention and productivity post-crisis▶ Close critical skill gaps
Medium-Term	<ul style="list-style-type: none">▶ Strengthen leadership pipelines and succession readiness▶ Deepen DEI and well-being integration
Long-Term	<ul style="list-style-type: none">▶ Build a future-ready, digitally-skilled workforce▶ Sustain high performance culture aligned to business growth

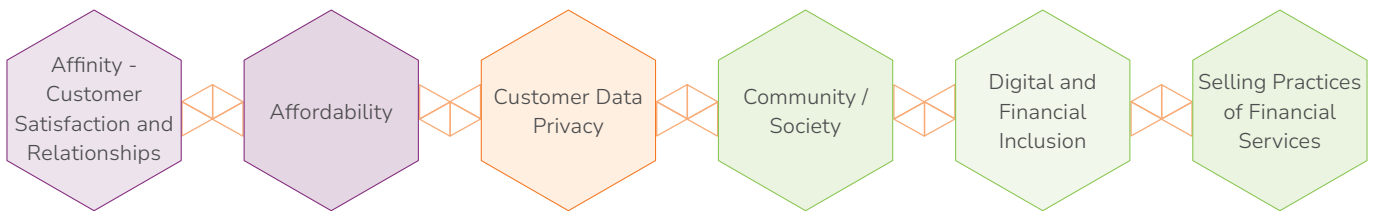


Social and Relationship Capital

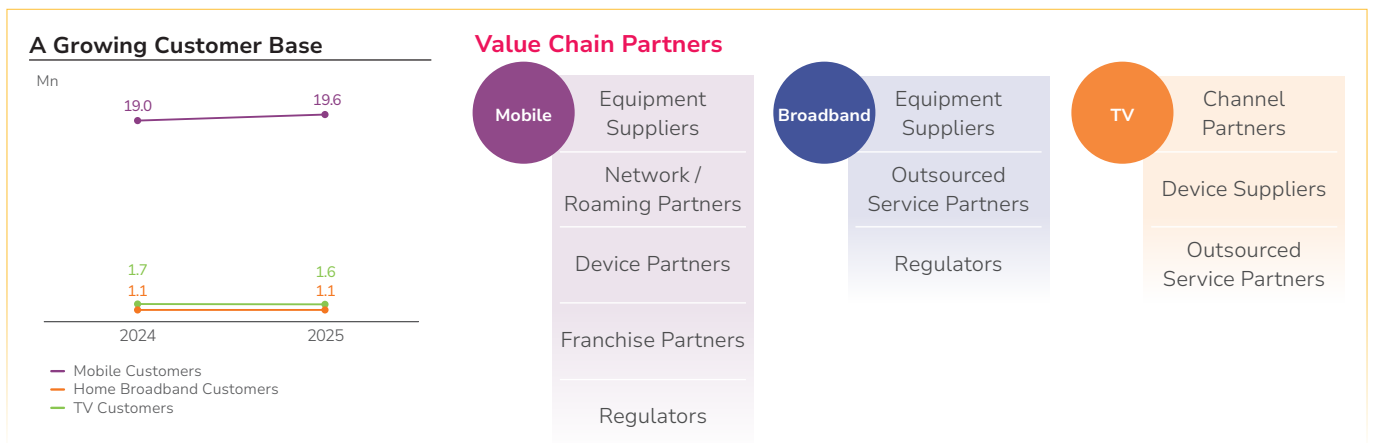
The strength of our relationships with customers, partners and communities across Sri Lanka is fundamental to how we create value. As connectivity becomes an integral part of everyday life, our role extends beyond service delivery to enabling how people live, work and connect. Across the country, we work alongside national institutions and partners to support initiatives ranging from digital inclusion to disaster response. Through these efforts, we ensure that the value we create is inclusive, responsive and widely shared.



Our Material Topics



Overview of Social and Relationship Capital



Social and Relationship Capital

Managing Social and Relationship Capital

GRI 1 3.3

As Social and Relationship Capital comprises a broad spectrum of the Group’s external stakeholders excluding investors, managing this vital capital happens through out stakeholder engagement processes set out on pages 44 to 47. The Board has overall responsibility for management of stakeholder relationships and the policies and procedures described below provide guidance on how these relationships are managed.

At Dialog, the Board Risk and Compliance Committee (BRCC) is a standing committee of the Board of Directors. Its primary role is to support the Board in overseeing operations and provide relevant guidance on the below areas;

- ▶ Enterprise risk management
- ▶ Regulatory and legal compliance
- ▶ Ethical conduct including Anti-Bribery and Anti-Corruption (ABAC)
- ▶ Data privacy, cybersecurity and emerging risks
- ▶ ESG Performance
- ▶ Group Environmental, Social and Governance (ESG) Policy

There are no significant fines or sanctions imposed on Dialog for breaches of laws or regulations in Sri Lanka or Malaysia. We emphasise our zero-tolerance policy on bribery and corruption and also conduct compliance audits, risk committees and corrective mechanisms as safeguards against such issues.

The strategic priorities for managing customers, suppliers and communities is discussed under the separate segments for each category.



Customers

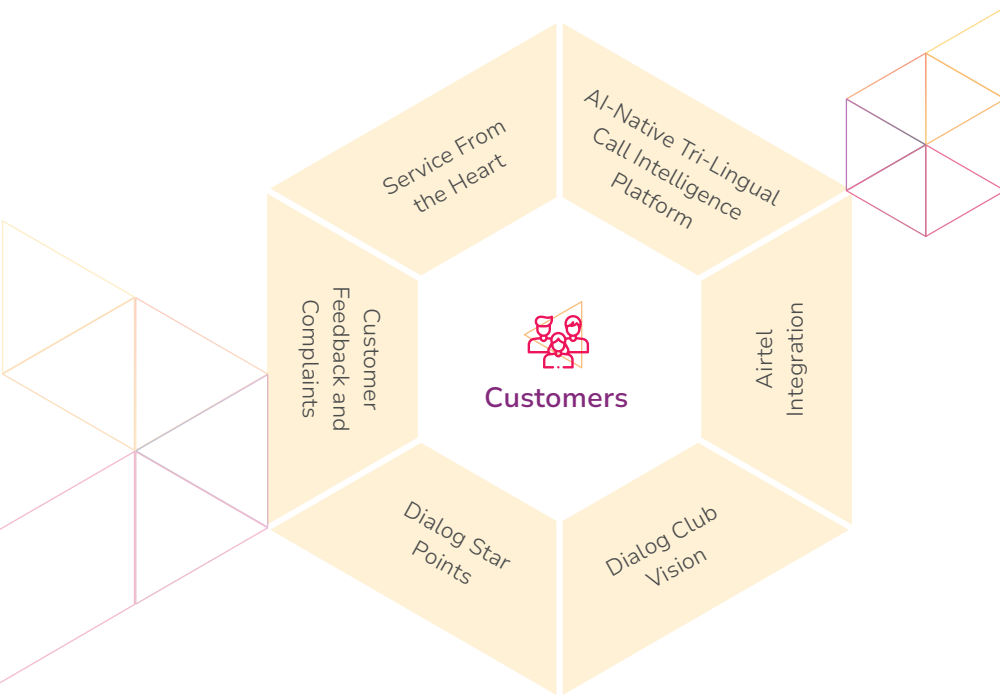
Customers drive our topline and attracting, retaining and developing a more robust relationship is critical to the growth of our business. Significant resources are allocated to ensuring that customers have a positive customer experience, facilitating their retention. Dialog’s Customer Experience (CX) Strategy Canvas sets out a disciplined, customer-centric framework to deliver seamless, technology-enabled experiences at scale. It supports the ambition of market leadership in NPS through AI-native digitisation, intelligent automation, and precision-led personalisation strengthening loyalty while creating sustainable shareholder value.

The strategy advances CX innovation through intelligent self-service, AI-assisted support, and industry-leading loyalty propositions tailored to diverse customer segments. At its core is an AI-native operating model that enables context-aware, consistent, and efficient interactions across every touchpoint.

Dialog’s customer experience model is set out below.

Short-Term	Medium-Term	Long-Term
<p>AI-native foundations: Deploy intelligent self-service channels (chatbots, voicebots) and AI-assisted support for frontline teams.</p> <p>Customer onboarding improvements: Simplify digital journeys (SIM activation, billing, payments) with automation.</p> <p>NPS uplift initiatives: Quick wins through faster resolution times, proactive notifications, and personalisation in high-volume touchpoints.</p> <p>Employee enablement: Train staff on AI tools and embed CX metrics into daily operations.</p>	<p>Precision-led personalisation: Use advanced analytics and AI to tailor offers, recommendations, and loyalty programmes to diverse customer segments.</p> <p>Omnichannel consistency: Integrate touchpoints (app, web, call center, retail) into a seamless, context-aware experience.</p> <p>Automation at scale: Expand intelligent automation into back-office processes (fraud detection, credit checks, service provisioning).</p> <p>CX innovation loops: Establish continuous feedback systems to refine AI models and loyalty propositions.</p> <p>Market leadership in NPS: Achieve measurable differentiation versus competitors through superior digital CX.</p>	<p>AI-native operating model maturity: Transition from AI-assisted to AI-orchestrated CX, where most interactions are context-aware and self-learning.</p> <p>Hyper-personalisation: Deliver real-time, predictive experiences (e.g., anticipating customer needs before they arise).</p> <p>Industry-leading loyalty ecosystem: Build partnerships and cross-industry integrations (banking, retail, entertainment) to deepen customer stickiness.</p> <p>Sustainable shareholder value: Balance CX innovation with operational efficiency, ensuring profitability while maintaining customer trust.</p> <p>Global benchmarking: Position as a regional leader in CX excellence, exporting best practices across markets.</p>

The past year saw a number of initiatives that served to enhance the customer experience for our 20 million+ subscribers, pushing the boundaries of service innovation while deepening customer relationships.



AI-Native Tri-Lingual Call Intelligence Platform: Transforming Conversations into Strategic Value

In 2025, Dialog Axiata introduced Sri Lanka’s first scalable, future-ready AI-native tri-lingual Call Reason Analysis Platform, marking a significant advancement in enterprise-wide customer intelligence.

Developed as a game-changing in-house solution, the platform transforms millions of unstructured customer conversations into structured, decision-grade insights. Moving beyond intuition and fragmented visibility, Dialog now leads with data-driven intelligence gaining a unified, real-time view of customer pain points, call drivers, and agent performance across Sinhala, Tamil, and English interactions.

Fully automated and AI-powered, the solution converts every call into quantified trends, root causes, and revenue opportunities positioning AI not only as an efficiency driver, but as a profit lever. It provides end-to-end visibility of the customer call journey, enabling proactive service recovery, product refinement, and targeted retention strategies.

As a foundational capability in the 5G and next-generation digital era, the platform empowers faster, evidence-based decision-making across service, product experience, and commercial functions driving continuous improvement in Customer Experience at scale.

Airtel Integration: Seamless, Unified, World-Class

In 2025, Dialog achieved a major milestone by integrating Airtel operations and merging CRM platforms, delivering seamless service activation and modifications to 3 million Airtel customers further elevating an already unified, world-class customer experience across all touchpoints.

Star Points donated to UNICEF to support children affected by Cyclone Ditwah

- Over **2.3 Mn** Points
- Thousands of children received urgent support, including food, shelter, healthcare and essential supplies

Dialog Club Vision: Elevating Loyalty, Enriching Lives

As Dialog’s premier loyalty programme, Dialog Club Vision is designed to reward excellence with exclusivity, recognition, and meaningful impact. Reserved for our high valued customers, Club Vision blends premium lifestyle privileges with purpose-driven engagement.

Marking a decade of meaningful partnership, the 10th Annual Dialog Club Vision Rotary Par 3 Golf Classic highlighted Dialog’s continued commitment to community upliftment in collaboration with the Rotary Club of Colombo Metropolitan. As Title Sponsor for 2025, Dialog Club Vision reinforced its support for the Rotary for Little Hearts Project, strengthening paediatric cardiac care at Lady Ridgeway Hospital. Held in its distinctive Par 3 format at the Royal Colombo Golf Club, the tournament united leaders from business, diplomatic, and sporting circles in support of a shared charitable cause.

Complementing its social impact, Club Vision members enjoy exclusive privileges at leading lifestyle and hospitality brands including Cinnamon Hotels and Resorts, Hameedia, Pearl Bay, Terrace by Kolu, and Rawula Barber Shop reflecting a loyalty experience that is both premium and purposeful.

Social and Relationship Capital

Dialog Star Points: Loyalty with Purpose

At Dialog, loyalty goes beyond rewards, it is about creating meaningful value for customers, partners, and society. Through Dialog Star Points, our flagship transaction-based loyalty programme, we continued to strengthen engagement while evolving into a digitally integrated lifestyle currency aligned with our long-term vision.

Last year, Star Points not only enhanced customer stickiness across products and services but also reinforced our commitment to responsible and inclusive growth. A key highlight was our response to Cyclone Ditwah. In partnership with UNICEF Sri Lanka, customers were requested to donate their Star Points to support children affected by the disaster.

This initiative demonstrates how loyalty can become a force for good, turning routine customer interactions into impactful humanitarian aid. By enabling point-based donations during a national crisis, Star Points strengthened its role as a socially responsible loyalty platform connecting commercial success with community resilience.

Customer Feedback and Complaints

Dialog Axiata operates a fully automated, closed-loop Voice of Customer (VoC) ecosystem that functions as a central intelligence engine converting real-time feedback into structured resolution workflows across 18+ digital and physical touchpoints. Powered by over 9 CX metrics, the platform delivers daily, insight-rich dashboards to C-level leadership and key stakeholders, enabling disciplined, data-led decision-making anchored in customer priorities. The VoC closed-loop resolution rate was consistently maintained at above 95% monthly, reflecting strong execution discipline and accountability.

The Group also ensures a seamless, omnichannel complaint management experience, with all customer issues centrally logged and first-contact resolution enabled across channels. Unresolved cases are systematically flagged and escalated to relevant teams for timely intervention. Customers are empowered to track complaint status via the MyDialog App, while post-resolution satisfaction measurements provide continuous feedback to strengthen service quality and operational performance.

Service From the Heart (SFH) continues to evolve, ensuring that service excellence remains a defining value of Dialog Axiata's culture.

- Closed-loop Voice of Customer ecosystem
- Daily insights dashboards viewed by C-suite Officials

>95%
Resolution Rate

Service From the Heart

Service From the Heart (SFH), one of Dialog's core values, reflects our commitment to placing customer experience at the heart of our culture and everyday actions. Rooted in empathy, care, and a "yes we can" mindset, SFH encourages our teams to go beyond transactional service to create meaningful experiences for both external and internal customers, while reinforcing a culture centred on accountability, collaboration, and continuous improvement.

To further embed these values and institutionalise leadership behaviour supported by informed decision-making that drives Customer Obsession across the Company, Dialog Axiata is equipped with an in-house unified platform

that uses seven Customer Experience measurement metrics (NPS, CES, NES, CSAT, FCR, EES, eNPS), in addition to metrics including Complaint Resolution Rate, Churn, Retention and Revenue across 18+ digital and traditional touchpoints, providing a 'single source of truth' on Customer Experience with real-time actionable insights that enable evidence-based course correction.

- Touchpoint NPS maintained at 48pp (+3pp compared to 2024), with Digital NPS at 46pp
- Net Easy Score maintained at 33pp, 4pp increase compared to last year
- rNPS shows YoY progress, currently leading with +20pp gap against competition
- #1 leader in rNTS with a leading gap of +74pp against competition
- VoC closed-looping resolution rate maintained at >95% monthly



"Dialog Axiata operates a fully automated, closed-loop Voice of Customer (VoC) ecosystem that functions as a central intelligence engine converting real-time feedback into structured resolution workflows across 18+ digital and physical touchpoints."

	Index	Customer Experience Measure
Customer Experience	rNPS	Market NPS <ul style="list-style-type: none"> Independent external NPS survey conducted through corporate planning
	tNPS	Touchpoint NPS <ul style="list-style-type: none"> NPS sentiments and voice of customer feedback and action loop
	NES	Net Easy Score <ul style="list-style-type: none"> NES based on touchpoint CES
	NTS	Net Trust Score <ul style="list-style-type: none"> Touchpoint sentiment analysis on trust and transparency
	Customer Happiness	HL Model <ul style="list-style-type: none"> Derived based on touchpoint CSAT / NPS / CES responses if responded and not responded
	FCR	Transaction FCR <ul style="list-style-type: none"> Touchpoint VoC on requirement fulfilment
Employee Experience	EES	Employee Effort Score <ul style="list-style-type: none"> Measurement of employee effort on systems and processes
	eNPS	Employee NPS <ul style="list-style-type: none"> Bi-annual survey conducted via Group HR and Corporate Planning

Net Trust Index

Measures the level of trust customers place in the brand, through the use of certain keywords and direct survey responses.

Net Promoter Score

Measures the likelihood of customers promoting the products to other individuals, and determines customer loyalty levels.

Net Easy Score

Derived from the customer effort score to measure overall simplicity and ease of accessing the Company's services, and attached to Organisational CXO-level KPIs.

Happiness Index

Combines all parameters to arrive at a single score to determine customer satisfaction at a holistic level.

Voice of Customers

In 2025, Dialog Axiata was recognised as a global leader in Customer Experience measurement and strategy, underscoring its commitment to data-driven, customer-centric operations. Dialog received multiple accolades at the Customer Centricity World Series Awards 2025, including Best Measurement in Customer Experience (World Series Winner and APAC Winner), Best CX Strategy (APAC), and Customer Insight and Feedback – VoC (APAC).

These awards highlight Dialog's systematic approach to Voice of Customer (VoC) integration, measurement, and continuous improvement, reflecting the Company's ability to transform real-time feedback into actionable insights that drive excellence across every touchpoint.



Social and Relationship Capital

Strengthened emotional connection with customers

Winning “Most Loved” Service and Telco Brand (2025) for the second year reflects relationship equity, trust, reliability, and brand affinity from customer experiences delivered consistently across channels.

Customer Data Privacy

Policies and practices relating to targeted advertising and customer privacy

SASB 1 TC-TL-220a.1

Sri Lanka’s Personal Data Protection Act (PDPA), which was certified on 19 March 2022, is yet to be fully enforced and become operational. The law, once enforced, will establish strict obligations for organisations processing personal data. It requires having specific legal bases for data processing, limits data use to specified purposes, and grants individuals’ rights to their data. The PDPA was based on several global regulations including the GDPR, which influence best practices for responsible data processing.

Dialog has adopted a robust internal privacy governance framework aligned with the Axiata Group’s Digital Trust and Resilience strategy. Privacy-by-design principles are embedded into all systems and workflows, ensuring ethical and secure handling of customer data. The Company maintains transparent privacy practices by clearly explaining how data is processed. Dialog enhances its governance through internationally recognised standards, including ISO 27701, ISO 27001, and NIST cybersecurity frameworks. Any sharing of customer information with third

parties is governed by stringent legal and contractual safeguards. To protect customer information, Dialog employs strong security measures including regular risk assessments, vulnerability testing, secure-by-design engineering practices, and oversight at senior management levels. Dedicated teams also monitor and address potential data leaks.

Digital rights

GSMA 1 Int-02

Digital rights encompass the principles and protections that govern how individuals’ data, privacy, expression, and digital freedoms are upheld within modern digital ecosystems. As a leading telecommunications provider and technology enabler in Sri Lanka, Dialog Axiata PLC operates within a complex regulatory and technological landscape. The Company’s commitment to safeguarding user rights is reflected in its internal data protection frameworks, privacy governance structures, and alignment with national and global data protection standards. However, external evaluations highlight both strengths and gaps, offering opportunities for continual improvement.

Dialog maintains a comprehensive Data Protection Programme that aligns with the Axiata Group’s Digital Trust & Resilience (DT&R) framework and Sri Lanka’s Personal Data Protection Act (PDPA). The Company’s cybersecurity and privacy strategy incorporates globally recognised standards including ISO 27001, ISO 27701, and the NIST Privacy Framework to ensure robust protection of personal data. These frameworks reinforce principles of lawfulness, transparency, minimisation, and security.

Dialog’s Privacy Notice outlines how customer data is collected, processed, stored, and retained. It aligns with Axiata’s T.R.U.S.T principles.

Dialog employs rigorous security protocols to prevent, detect, and respond to data breaches. Regular vulnerability assessments, secure-by-design practices in product development, and adherence to ISO/ NIST frameworks collectively protect customer information. The Complaints Management Unit is tasked with investigating reported data leaks and ensuring timely remediation.

As a subsidiary of Axiata Group Berhad, Dialog’s digital rights posture is influenced by broader Group-level commitments to digital integrity and trust. Axiata’s Data Privacy Strategy embeds privacy considerations within operational, management, and board-level governance layers. The Group implements a CMMI based maturity model to enhance privacy capabilities and integrates privacy controls into enterprise risk dashboards for real-time monitoring and responsiveness. Furthermore, Axiata’s governance approach includes robust oversight structures such as the Board Risk and Compliance Committee (BRCC) and the Axiata Cyber Fusion Center (ACFC), which jointly ensure end-to-end alignment with regulatory expectations and global best practices.

Online safety measures

GSMA 2 Int-03

Online Safety Measures

Robust Cybersecurity and Data Protection Frameworks

Dialog maintains a comprehensive Data Protection Programme that focuses on evaluating and mitigating cyber risks, safeguarding personal data, and maintaining customer trust. The programme aligns with Axiata Group’s Digital Trust and Resilience (DT&R) strategy, which provides a structured roadmap for strengthening digital safety across all operations.

Compliance with Global Standards and Certifications

To enhance online safety and resilience, Dialog adheres to internationally recognised standards including:

- ▶ ISO 27001:2015 (Information Security Management)
- ▶ ISO 27701:2019 (Privacy Information Management)
- ▶ PCI-DSS for secure digital payment services
- ▶ These certifications ensure strong controls over data handling, cybersecurity governance, and protection against online threats.

Application Security and Vulnerability Management

Dialog employs secure-by-design principles for all digital applications, including web platforms, mobile apps, APIs, and customer-facing systems. Measures include:

- ▶ Pre-launch security testing
- ▶ Periodic assessments and vulnerability scanning
- ▶ Frequent technical alerts based on global threat intelligence
- ▶ Timely application of security patches
- ▶ These steps minimise technical vulnerabilities and reduce exposure to cyberattacks.

Data Leakage Prevention Measures

A dedicated Complaints Management Unit investigates any data leakage concerns raised by customers. Annual reviews of data protection controls are carried out to identify weaknesses and prevent online data breaches. The aim is to maintain strong public confidence and safeguard personal data shared through online channels.

NIST Cybersecurity Framework Adoption

Dialog has adopted the NIST Cybersecurity Framework, actively working to increase its maturity score to match global telecom leaders. This framework strengthens the Company’s capabilities in identifying, protecting, detecting, responding to, and recovering from cyber incidents across digital environments.

Privacy-by-Design and Data Governance

The Group Data Protection Office ensures that all digital processes incorporate privacy-by-design principles. This includes advising internal teams on responsible use of AI and machine learning technologies and ensuring that online processing activities comply with privacy laws and consumer rights.

Regular Audits and Executive Oversight

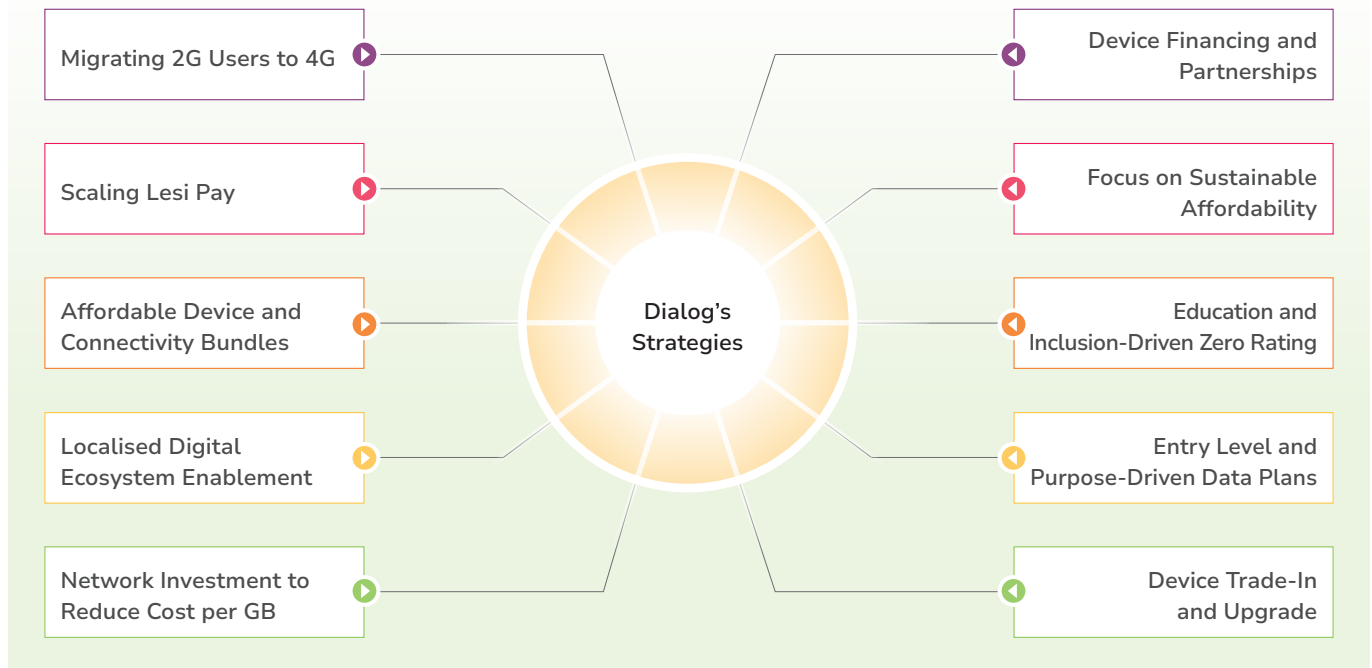
Dialog’s cybersecurity governance is reinforced through audits conducted across all operating companies under Axiata. Monthly leadership meetings review risk dashboards, online threat reports, and control effectiveness to maintain strong online safety postures.

Social and Relationship Capital

CODE	METRIC	
TC-TL-220a.2	Number of customers whose information is used for secondary purposes	0
TC-TL-220a.3	Total amount of monetary losses as a result of legal proceedings associated with customer privacy 1	0
TC-TL-220a.4	(1) Number of law enforcement requests for customer information,	91,500
	(2) Number of customers whose information was requested,	38,933
	(3) Percentage resulting in disclosure	100%
GSMA INT-01	3.1a. Number of data breaches, per million subscribers	0
	3.1b. Percentage of data breaches involving PII	0
	3.1c. Number of customers affected, per million subscribers	0
	3.1d. Number of regulatory actions for data protection violations (e.g. marketing-related complaints, data breaches), per million subscribers	0
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	0

Affordability

Dialog's strategies to ensure that services remain affordable are as follows:



- Affordable Device and Connectivity Bundles: Launched entry-level smartphone and service bundles aimed at price-sensitive and first-time internet users, enabling access to digital services at a low upfront cost. Bundles are designed to balance affordability with data value, ensuring customers can meaningfully participate in the digital economy rather than just basic connectivity.
- Expansion of Lési Pay Base to Unlock Digital Finance Inclusion: Scaling the Lési Pay user base towards ~7 million customers to improve customer eligibility for device financing and micro-payments, reduce dependence on upfront cash payments and enable affordable digital lifestyle participation. Positions financial inclusion as a key enabler of connectivity affordability, not a parallel initiative.
- Migration of 2G Feature Phone Users to 4G: Targeted migration programmes for 2G feature phone users, prioritising rural, low-income segments and affordable 4G handsets with essential apps. This also improves spectrum efficiency while ensuring no customer is left behind in the technology transition.
- Device Trade-In and Upgrade Campaigns: Smartphone trade-in and buy-back schemes allowing customers to exchange older devices and upgrade to 4G/5G smartphones at a reduced effective price. This lowers the entry barrier for advanced devices while encouraging circular-economy principles.
- Entry-Level and Purpose-Driven Data Plans: Introduction of low-denomination prepaid data packs tailored for daily wage earners, students and first-time data users. Specialised packs for education, productivity, and essential digital services, ensuring data spend delivers real socio-economic value.
- Education and Inclusion-Driven Zero-Rating: Zero-rated or subsidised access to key educational platforms, government and public-interest digital services. Strengthens digital equity, particularly for students and underserved communities.
- Device Financing and Partnerships: Collaborations with banks, fintechs, and pay-over-time platforms to offer instalment-based smartphone purchases and minimal or no upfront payment options. Shifts affordability from price reduction to payment flexibility.
- Network Investment to Reduce Cost per GB: Continuous investment in 4G densification and fibre backhaul to improve spectral efficiency and reduce unit cost of data delivery. Enables Dialog to pass efficiency gains to customers through more affordable data pricing over time.
- Localised Digital Ecosystem Enablement: Promotion of local-language apps, local content, and relevant digital services to ensure affordable connectivity translates into actual usage and customers gain tangible value from being online. Reduces “wasted data spend” by aligning services with real user needs.
- Focus on Sustainable Affordability (Strategic Framing): Dialog frames affordability as Commercially Sustainable, environmentally responsible and socially inclusive. This avoids price wars that compromise service quality or network resilience.

Device and subscription affordability

GSMA 3 INC-02

	2025	2024
Retail price of the most affordable smartphone, as percentage of monthly GDP per capita	23%	27%
Retail price of 1GB of data, as percentage of monthly GDP per capita	39.5	37.6



Suppliers

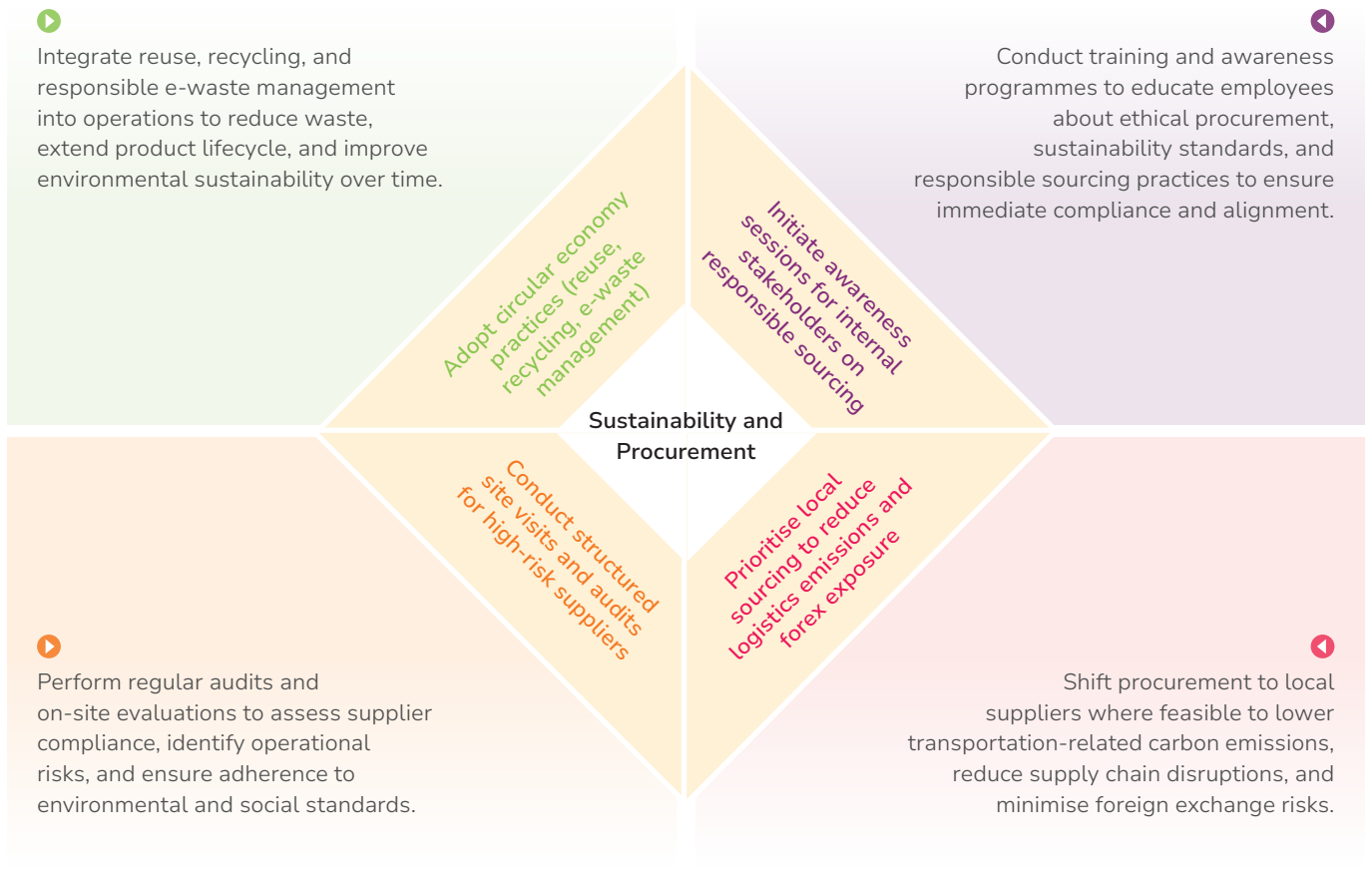
GRI 2 204-1

In 2025, Dialog onboarded 504 new suppliers comprising both global and local partners that provide a diverse range of goods and services essential to achieving the Group’s strategic objectives. Global suppliers predominantly operate upstream within the value chain, while local suppliers contribute across both upstream and downstream operations. Local suppliers further comprise large-scale suppliers, outsourced service providers, and Small and Medium Enterprise (SME) partners, reflecting the Group’s commitment to fostering an inclusive and resilient supplier ecosystem.

During the year, 47% of the total expenditure on purchased goods and services was directed towards local suppliers, reinforcing Dialog’s continued contribution to local economic development, supplier empowerment, and sustainable business growth.

Dialog’s sustainable procurement strategy is outlined below.

Social and Relationship Capital



Screening Suppliers

GSMA 4 SUP-01

At Dialog SCM, vendors are screened during the registration stage. Based on each vendor category, Dialog VCM (Vendor Contract Management) requests a comprehensive list of documents to assess supplier registration status, bank confirmation and stability, and financial statements such as audited account reports.

Supplier assessments are conducted via two methods:

1. Vendor Contract Performance

Evaluation: On a quarterly basis, VCM shares a Performance Evaluation Matrix for high-value contracted vendors. This matrix is developed based on the SLA, Scope of Work, and contractual obligations in the respective

contract. The matrix is shared with the respective user for feedback each quarter, and the report is then shared with management and the supplier. If a supplier's performance is below 75%, a development plan is requested from the supplier, and follow-up is conducted to ensure completion.

2. External Vendor Audit Reports:

Annually, the top 20 local vendors by PO spend value are shortlisted for an audit against the Supplier Code of Conduct, a mandatory compliance document at Dialog. An external party is hired to conduct the audit, visiting supplier premises to check adherence to compliance documents and the SCOC. Post-audit, a report is provided by the hired party, which is shared with management and the supplier after review.

Grievance mechanism for suppliers

Suppliers can share grievances directly through the Vendor Management email, or via the respective buyer or user department.

Enabling supply chain analytics

In 2024, we further developed our Supply Chain Management (SCM) analytics initiative, extending its application beyond sourcing to encompass the entire supply chain. We shared the SCM Pulse reports with the wider team to facilitate feedback, simplification, and analytics-based decision-making for warehouse management. Additionally, we optimised our vendor, commercial, and imports-related dashboards, focusing on order management, inventory, and warehouse dashboards.

Our SCM analytics go beyond traditional data collection and analysis methods, providing comprehensive insights into current and new data sources using SQL coding and Tableau Dashboard reviews. These insights significantly improve supply chain decision-making, including BAU tasks, vendor selection, order placements, warehousing, and downstream operations. The commercial 360 track offers insights into code-level spend visibility and user division spend patterns, helping to identify price sensitivities and their impact on financial performance. The imports 360 dashboards provide a streamlined overview of import-related activities, including regulatory approval tracking, which is critical for aligning with consumer demands.

The published dashboards are accessible to the sourcing team, management, and any user division. Inputs from these dashboards can be utilised in commercial negotiations and vendor selection processes.

Procurement digitisation

The implementation of the digitized Source-to-Pay transformation and simplification roadmap has enabled the organization to transition towards fully paperless sourcing and procurement operations. Under this initiative, all sourcing and procurement activities are conducted through secure digital workflows, strengthening operational efficiency, transparency, and governance across the procurement lifecycle.

As part of the continuous enhancement of governance and compliance frameworks, the platform further strengthens adherence to Anti-Bribery and Anti-Corruption (ABAC) requirements and the Supplier Code of Conduct (SCOC). The secure web-based procurement ecosystem enhances user convenience while ensuring robust control mechanisms across all sourcing and procurement engagements and transactions.

Furthermore, the implementation of Contract Lifecycle Management (CLM) and e-signature capabilities for contractual and regulatory documentation within the newly developed contract workflow system has significantly improved process efficiency and turnaround times. This digital-first approach ensures that even low-value and off-platform transactions are executed electronically, reinforcing the organization's commitment to operational excellence, sustainability, and end-to-end digital procurement governance.

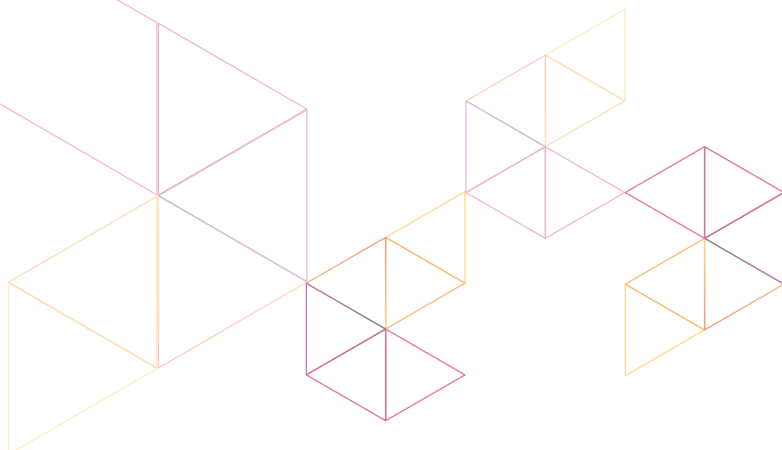
Supply Chain Engagement

To maintain continuity of the Supply Chain, engagement sessions were held for key suppliers to offer guidance on adhering to the following:

1. ABAC
2. Whistle-blowing
3. Sustainable supply chain
4. Data privacy

GSMA 5 SUP-02

Percentage of suppliers screened against the sustainable procurement policy using Company defined and documented assessment procedure, within the previous two years	100%
Percentage of suppliers assessed against the sustainable procurement policy through site visits, within the previous two years	N/A
New suppliers that were screened using social criteria	100% for centralised procurement vendor selections
New suppliers that were screened using environmental criteria	100% for centralised procurement vendor selections



Social and Relationship Capital

Negative Social and Environmental Impact in the Supply Chain

GRI 3 414-2, 308-2

Dialog's negative impacts in the supply chain are summarised in the table below:

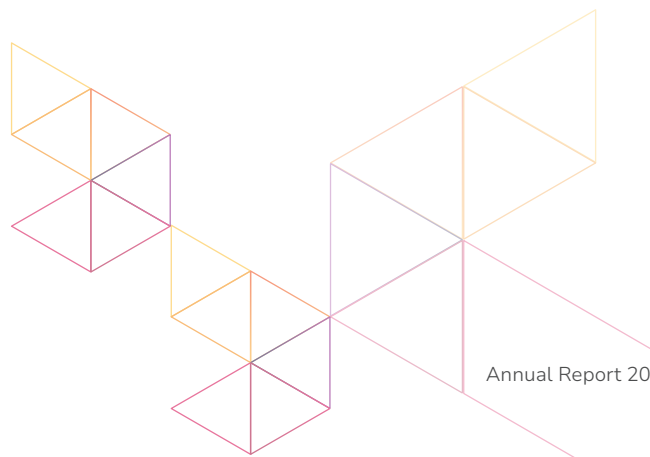
	Environmental Impacts GRI 4 308-1	Social Impacts GRI 5 414-2
Number of suppliers assessed for impacts	100%	N/A
Number of suppliers identified as having significant actual and potential negative impacts	0%	0%
Significant actual and potential negative impacts identified in the supply chain	<p>Usage of polythene for packaging, branding, and merchandising items (for example, banners, corrugated boards, etc.)</p> <p>E-waste risks from devices and network equipment.</p> <p>Disposal of customer premises equipment.</p> <p>Telecom equipment manufacturing is energy-intensive (Dialog procures base stations, routers, fibre equipment, and batteries from overseas manufacturers in China and Europe. These factories may operate using coal-based electricity).</p> <p>Carbon footprint increases due to urgent or inefficient transportation (during supply chain disruptions, critical telecom spare parts were air-freighted instead of shipped by sea, significantly increasing transport-related emissions from third-party logistics providers).</p>	<p>Risk of bribery and corruption in third-party procurement or permits.</p> <p>Supplier non-compliance with ethical standards (potential that smaller vendors or subcontractors in the supply chain might lack adequate ethics policies, increasing reputational risk if corrupt practices were uncovered).</p> <p>Reputational and governance risk. (A local supplier may attempt to offer inducements during tender processes, or engage in inflated invoicing practices, creating compliance risk within the procurement value chain).</p>
Percentage of suppliers identified as having significant actual and potential negative impacts with which improvements were agreed upon as a result of assessment	0% (As above captured points are outlined as potential risks based on the assessment).	0% (As above captured points are outlined as potential risks based on the assessment).
Percentage of suppliers identified as having significant actual and potential negative impacts with which relationships were terminated as a result of assessment, and why	0%	0%

Uplifting Suppliers

As part of its commitment to fostering sustainable supplier growth and strengthening its supply chain ecosystem, Dialog Axiata PLC has implemented several strategic initiatives that support suppliers, especially SMEs and local partners, by enhancing capabilities, promoting inclusivity, and encouraging long-term collaboration:

<p>Supplier Engagement</p>	<p>Dialog holds engagement sessions that bring key suppliers together to share best practices, compliance standards, and sustainability expectations. These engagements also provide guidance on responsible business practices, data privacy, and ethical procurement requirements, helping suppliers meet industry benchmarks and improve performance.</p>
<p>Digital Enablement and Process Efficiency</p>	<p>The Company has streamlined supplier interactions through digital platforms, enhancing transparency in purchase orders, delivery statuses, and contract processes. Coupled with tools like e-signatures and analytic dashboards, this transition supports suppliers, particularly smaller firms, by reducing paperwork, accelerating turnaround times, and improving operational efficiency.</p>
<p>SME Support and Enterprise Partnerships</p>	<p>Through Dialog Enterprise, Dialog Axiata actively supports small and medium enterprises (SMEs) by sponsoring national industry expos and facilitating partnerships that promote SME visibility, innovation, and growth. These platforms enable suppliers and business partners to network, showcase capabilities, and access digital solutions that elevate their competitiveness.</p>
<p>Collaborative Digital Solutions for SMEs</p>	<p>Dialog partners with banks and digital ecosystem platforms to empower entrepreneurial suppliers through digital marketing, e-commerce readiness, and online presence enhancements, helping them integrate more effectively into broader supply chains and expand their market reach.</p>
<p>Ethical and Sustainable Procurement Practices</p>	<p>Dialog's supply chain monitors supplier compliance with labour practices, ethical standards, and codes of conduct. By conducting audits and co-creating improvement plans with partners, the Company not only enforces quality expectations but also enables suppliers to strengthen governance and business practices over time.</p>
<p>Capacity Building and Skills Development</p>	<p>While primarily for internal supply chain enhancement, Dialog's investment in data analytics and SCM training fosters a culture of continuous learning that often extends to collaborative planning with vendor partners, enabling data-driven forecasting, better inventory management, and joint operational problem-solving.</p>

Overall, Dialog's supplier uplift initiatives emphasise inclusivity, digital transformation, ethical standards, and collaborative growth, positioning its supply chain not just as a transactional network, but as a shared value ecosystem that supports long-term supplier development aligned with industry best practices.



Social and Relationship Capital

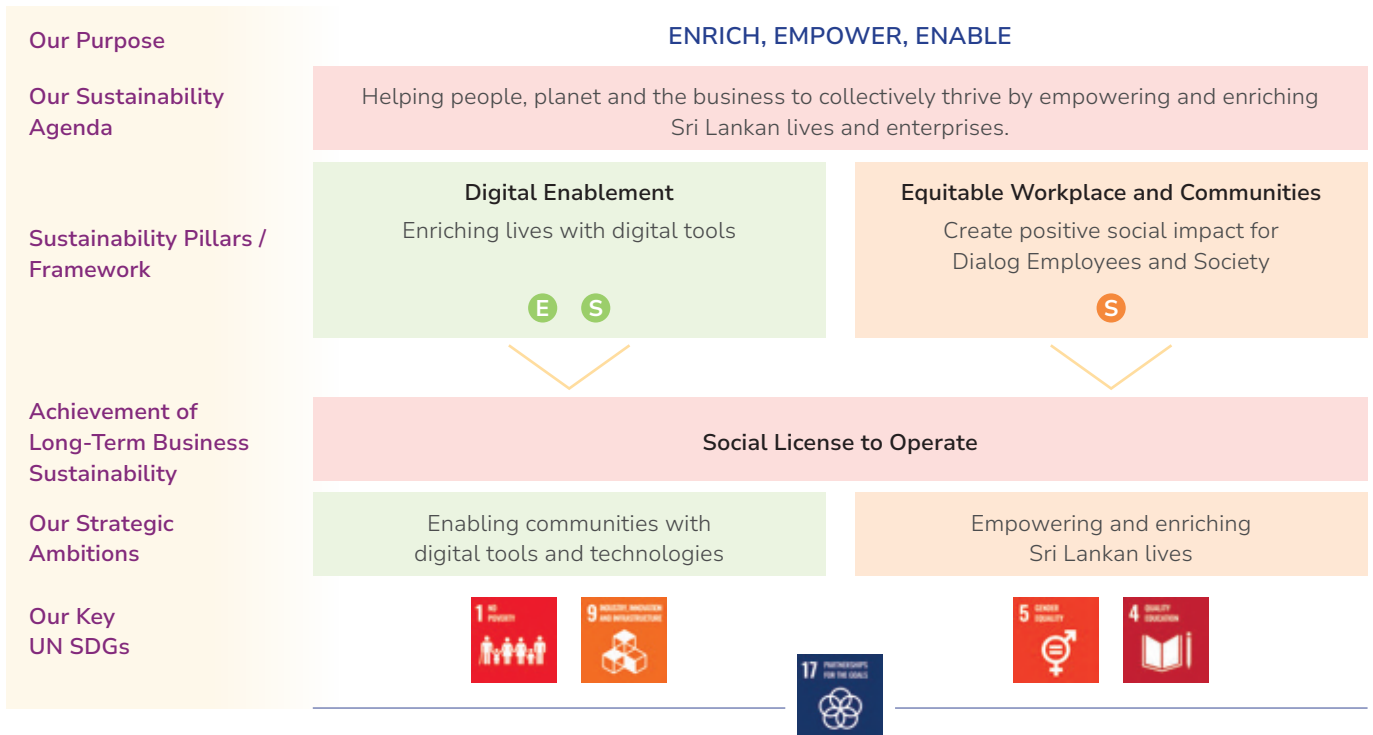


Communities

Impact on Communities

GRI 6 413-2

Dialog's interactions with the communities in which we operate are extensive ranging from digital and financial inclusions of Sri Lankans to sponsorship of sports, arts and culture and donations. These initiatives are summarised in the infographic below followed by summaries of the same.



Digital Inclusion

Dialog positions digital inclusion as a core business strategy and not as philanthropy. The core objectives of its digital inclusion strategy are to:

- ▶ Bridge Sri Lanka's digital divide
- ▶ Enable equitable access to technology
- ▶ Support national socio-economic resilience
- ▶ Build long-term, sustainable markets for digital services

The following table sets out Dialog's approach to digital inclusion.

Pillar 1: Affordable and Accessible Connectivity	<p>Dialog's strategy prioritises access first, especially for underserved segments:</p> <ul style="list-style-type: none"> ▶ Rural communities ▶ Low-income households ▶ Persons with disabilities ▶ Women and elderly populations <p>The Company focuses on mass-customised, low-cost digital services, often delivered via Voice (IVR), SMS or Low-data mobile platforms. This ensures inclusion even where smartphones or high data literacy are limited.</p>
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Pillar 2:
Purpose-Driven Digital Platforms

Dialog uses its network and digital capabilities to solve real socio-economic problems, not just provide connectivity.

Key examples referenced in internal materials:

- ▶ Govi Mithuru – AI-powered agriculture advisory platform for farmers
- ▶ Sayuru – Maritime safety and advisory services for fishermen
- ▶ Digital health platforms – Remote access to health services
- ▶ Education enablement – Toll-free learning access and digital classrooms

These platforms are flagship digital inclusion initiatives embedded in the business model.

Pillar 3:
Digital Skills and Capability Building

Dialog recognises that access alone is insufficient without digital literacy. Accordingly, we have set in place training and capacity-building programmes including the following:

- ▶ Developer enablement through platforms like Ideamart
- ▶ Workshops, hackathons, and innovation challenges
- ▶ Digital skills development for youth, entrepreneurs, and SMEs

These initiatives aim to build confidence, usage and economic participation in the digital economy.

Pillar 4:
Inclusive Design and Accessibility

Digital inclusion is deliberately linked to design choices, including:

- ▶ Accessibility for persons with disabilities
- ▶ Gender-responsive services
- ▶ Language localisation
- ▶ Simple user interfaces

Initiatives such as DeafTawk and hearing-assistive digital tools demonstrate Dialog’s approach to designing inclusion into products, not retrofitting later.

Our short, medium and long-term plans for digital inclusion are set out below.

Strategic Focus	Key Priorities	Planned Outcomes
Short-Term: Access and Adoption		
Bridge immediate access gaps and drive basic digital usage	<ul style="list-style-type: none"> ▶ Expand affordable connectivity through low-cost, low-data services (voice, SMS, IVR, lite apps) ▶ Strengthen network reach and reliability in rural and underserved areas ▶ Scale proven digital inclusion platforms (agriculture, fisheries, education, health) ▶ Promote mobile-first digital payments and wallets for everyday transactions ▶ Improve accessibility for women, elderly, and persons with disabilities through inclusive design ▶ Strengthen data privacy, cybersecurity, and customer trust fundamentals 	<ul style="list-style-type: none"> ▶ Increased digital access and usage ▶ Wider participation in digital and financial services ▶ Stronger trust in digital platforms

Social and Relationship Capital

Strategic Focus	Key Priorities	Planned Outcomes
Medium-Term (3–5 Years): Capability and Economic Participation		
Move from access to productive and meaningful digital participation	<ul style="list-style-type: none"> Deepen digital skills and financial literacy for SMEs, youth, and informal workers Integrate digital platforms into value chains (agriculture, trade, micro-enterprise) Expand inclusive financial services for women-led businesses and micro-entrepreneurs Strengthen ecosystem partnerships with government, development agencies, and industry Embed responsible AI, ethical technology, and inclusive data practices Introduce advanced analytics to measure social and economic impact 	<ul style="list-style-type: none"> Improved productivity and income resilience Growth of digitally enabled SMEs and entrepreneurs Measurable social and economic impact at scale
Long-Term (5+ Years): Resilience and Inclusive Digital Economy		
Shape a trusted, resilient, and inclusive digital economy for Sri Lanka	<ul style="list-style-type: none"> Position Dialog as a foundational platform for national digital and financial inclusion Enable cross-sector digital ecosystems (finance, health, education, climate resilience) Advance circular, sustainable, and inclusive digital business models Support policy and regulatory frameworks for inclusive digital growth Continuously evolve trust, cybersecurity, and digital rights governance 	<ul style="list-style-type: none"> Reduced structural digital and financial inequality Inclusive, innovation-driven economic growth Long-term enterprise resilience and national competitiveness

Network Coverage		
Population covered by operator's mobile network		
GSMA INC-01		
3G – services discontinued	2G – 97%	4G – 98%

Digital Skills	
Number of people (excluding employees) who have completed a basic, intermediate or advanced digital skills training programme (as per ITU definition)	
GSMA INC-03	
1,500	

Financial Inclusion

Dialog's financial inclusion strategy is tightly integrated with its digital ecosystem and customer base.

Financial Inclusion Pillars	Plans	Progress in 2025
Pillar 1: Mobile-First Financial Access	<p>Dialog leverages its scale and trust to expand access to:</p> <ul style="list-style-type: none"> ▶ Digital payments ▶ Mobile wallets ▶ Merchant payments ▶ Everyday financial transactions <p>Internal DEI and ESG updates reference women's participation in e-wallets and digital finance as a tracked inclusion metric.</p>	<p>By 2025, Dialog continues to integrate mobile connectivity with digital financial services through its e-wallet and payment ecosystem, supporting cash-light transactions across urban and rural markets.</p> <p>Internal DEI and ESG tracking highlights women's participation in digital wallets and digital transactions as an inclusion indicator, reflecting increased adoption among female users and households previously excluded from formal digital finance.</p> <p>Dialog's trusted mobile infrastructure remains the foundational enabler for mass adoption of digital payments.</p>
Pillar 2: Targeted Inclusion for Underserved Segments	<p>Financial inclusion initiatives explicitly focus on:</p> <ul style="list-style-type: none"> ▶ Women ▶ Micro-entrepreneurs ▶ Rural communities ▶ Informal sector participants <p>This is supported by Dialog's participation in:</p> <ul style="list-style-type: none"> ▶ GSMA Connected Women Initiative ▶ Gender-responsive financial products ▶ Financial literacy programmes linked to digital platforms 	<p>By 2025, Dialog continues to scale inclusive financial services through multi-stakeholder partnerships, allowing:</p> <ul style="list-style-type: none"> ▶ Broader reach beyond Dialog's direct operational role. ▶ Alignment with national digital and financial inclusion priorities. ▶ Management of regulatory, credit and operational risk through shared accountability. <p>Group-level collaboration within Axiata enables reuse of proven digital and fintech capabilities while localising delivery for Sri Lanka.</p>
Pillar 3: Ecosystem Partnerships	<p>Dialog does not pursue financial inclusion alone. Internal sources highlight partnerships with:</p> <ul style="list-style-type: none"> ▶ Government institutions ▶ Development agencies ▶ Industry partners ▶ Axiata Group digital and fintech entities <p>These partnerships allow scaling of inclusive financial services while managing regulatory and operational risk.</p>	<p>By 2025, Dialog continues to scale inclusive financial services through multi-stakeholder partnerships, allowing:</p> <ul style="list-style-type: none"> ▶ Broader reach beyond Dialog's direct operational role. ▶ Alignment with national digital and financial inclusion priorities. ▶ Management of regulatory, credit and operational risk through shared accountability. <p>Group-level collaboration within Axiata enables reuse of proven digital and fintech capabilities while localising delivery for Sri Lanka.</p>

Social and Relationship Capital

Financial Inclusion Pillars	Plans	Progress in 2025
<p>Pillar 4: Governance and Measurement</p>	<p>Digital and financial inclusion are governed through:</p> <ul style="list-style-type: none"> ▶ Dialog's ESG Policy and Management Framework ▶ Alignment with Axiata Group social responsibility policies ▶ Regular reporting to BRCC and BNRC ▶ Measurement through SASB, GSMA, GRI, and SLFRS (IFRS) S1/S2 indicators <p>Inclusion outcomes are tracked as material ESG topics, not soft narratives.</p>	<p>In 2025, inclusion outcomes are tracked and disclosed through established reporting standards, including:</p> <ul style="list-style-type: none"> ▶ SASB (Telecommunications Services metrics) ▶ GSMA indicators on digital inclusion ▶ GRI disclosures on social and economic impact ▶ SLFRS (IFRS) S1/S2 sustainability-related disclosures <p>Digital and financial inclusion are treated as material ESG topics, subject to governance, review and continuous improvement.</p>
<p>Pillar 5: Strategic Outcomes (What Dialog aims to achieve)</p>	<p>Across documents, Dialog's inclusion strategy consistently aims to:</p> <ul style="list-style-type: none"> ▶ Expand digital access nationwide ▶ Enable income stability and productivity ▶ Improve resilience of vulnerable communities ▶ Strengthen trust in digital systems ▶ Build sustainable, inclusive markets <p>Digital and financial inclusion are framed as long-term value creation mechanisms, contributing to both national development and corporate resilience.</p>	<p>By 2025, Dialog clearly frames digital and financial inclusion as long-term value creation mechanisms, contributing to:</p> <ul style="list-style-type: none"> ▶ National socioeconomic development ▶ Enterprise competitiveness and digitalisation ▶ Community resilience in volatile economic conditions ▶ Dialog's own business sustainability and systemic relevance <p>Inclusion is positioned not as philanthropy, but as strategic infrastructure for Sri Lanka's digital economy.</p>

Shishyadhara

Shishyadhara was initiated to develop a secure, digital subsidy distribution application to enhance efficiency and transparency of the subsidy distribution schemes under the Social Safety Net Subsidy programme, the welfare benefit scheme which has been introduced by the Government of Sri Lanka.

In Phase 1 of this project, Dialog and MillenniumIT ESP, announced the launch of Shishyadhara, a national-level digital platform developed to enable the seamless disbursement of educational subsidies to underprivileged students across Sri Lanka. The platform, developed

by Dialog and MIT ESP, will be used by the Government of Sri Lanka to digitise what was once a manual subsidy distribution process, ensuring greater accessibility, transparency, and efficiency.

The Shishyadhara initiative focuses on socio-economic upliftment by reducing the financial burden on economically disadvantaged families and ensuring students have access to essential school supplies. The newly-introduced digital platform replaces traditional disbursement methods with a streamlined, technology-driven solution that allows

eligible students to seamlessly claim their allocated subsidies via QR codes at registered merchants, eliminating paperwork, minimising errors, and ensuring timely support.

Designed with scalability and long-term sustainability in mind, the platform not only supports the growing needs of Sri Lanka's most vulnerable communities but also contributes to the country's broader digital transformation journey. It serves as a key example of how digital innovation can empower public service delivery and drive inclusive national development.



Key Objectives	<ul style="list-style-type: none"> ▶ To replace traditional subsidy disbursement methods with a digitised and streamlined platform. ▶ To develop a system that can be utilised for all subsidy programmes (school books) ▶ To provide financial aid to deserving individuals and families facing economic hardships.
Project Partners	<ul style="list-style-type: none"> ▶ Ministry of Education Sri Lanka ▶ Ministry of Finance, Planning and Economic Development ▶ MillenniumIT ESP
Impact in 2025	<ul style="list-style-type: none"> ▶ Subsidies disbursed to over 450,000 underprivileged schoolchildren.

Govi Mithuru

The ground-breaking 'Govi Mithuru', launched in 2015, provides customised and timely advice to farmers regarding land preparation, cultivation, crop protection, harvest and improved family nutrition. The service was developed with the support of the GSMA mAgri Challenge Fund. Content partners include the Ministry of Agriculture of the Government of Sri Lanka, supported by the Centre for Agriculture and Biosciences International (CABI, an inter-governmental organisation) providing the main agricultural advice, as well as the Ministry of Health, Nutrition and Indigenous Medicine of the Government of Sri Lanka, which provides family nutrition advice.

This programme is important because:

1. One third of the country's land (2.2 million hectares) is cultivated. Rice is Sri Lanka's staple food crop and the most cultivated crop in the country (average 3.4 million tonnes per year), followed by tropical fruits and sugar crops.
2. Recent water shortages due to low rainfall are having a negative impact on the irrigation of paddy fields. This affects production, which in turn affects the price of rice for consumers, which increased sharply from September to December 2016, reaching a record high of SLR 87/kg (USD 0.57). This has had a significant

negative impact on the food security of Sri Lanka's poorer and more vulnerable residents, especially those in the most rural areas. Over a quarter of children under five are underweight because of malnutrition.

3. As a result of the water shortage and deterioration in food security, the FAO predicts emergency humanitarian assistance will be needed in Sri Lanka. The FAO also recognises excessive "indiscriminate" use of fertilisers and pesticides poses a significant health risk. In this context, Govi Mithuru's focus on providing practical solutions to alleviate the use of pesticides is timely.



Key Objectives	Govi Mithuru was launched to reach out to the rural segment, 80% of whom (13.4 million people) are engaged in subsistence farming and depend on agriculture for their food and livelihood. Around 7% of the population live below the poverty line at USD 2.50 per day.
Project Partners	<ul style="list-style-type: none"> ▶ Department of Agriculture Sri Lanka ▶ Ministry of Agriculture and Ministry of Health Sri Lanka ▶ Department of Export Agriculture Sri Lanka ▶ The Tea Research Institute of Sri Lanka ▶ Department of Animal Production and Health ▶ The Centre for Agriculture and Bioscience International (CABI) ▶ Global System for Mobile Communications Association (GSMA) ▶ Australian Government-Funded Market Development Facility (MDF)
Impact in 2025	<ul style="list-style-type: none"> ▶ 38 total crops and services ▶ Secured 1.1 million users with more than 300,000 active users

Social and Relationship Capital



Dialog and MDF Renew Partnership to Expand Govi Mithuru with AI and Inclusive Farming Solutions

Sayuru

Launched in 2020, Sayuru is a free and trilingual Interactive Voice Response (IVR) weather advisory service developed in collaboration with the Department of Meteorology and the Department of Fisheries and Aquatic Resources to provide daily forecasts tailored to their locations along the coast of the island. In emergency situations, voice messages in the fisherman’s preferred language are dispatched by Sayuru using Outbound Dialling (OBD) technology, to help ensure their safety.

The positive impact of Sayuru was seen during Cyclone Ditwah. Statistics of traffic during the critical days are set out below as testimony of its impact.

“High waves may wash small boats out to sea. Move your boat to a safe place immediately or secure it well to avoid danger.”

This message was sent to the Sayuru user base as requested by the Department of Fisheries and Aquatic Resources during the Cyclone period. (26.11.2025)



Date	Emergency Call Count	Delivered Count	SMS Count	Delivered Count
11/26/2025	139,295	41,213	139,296	89,467
11/27/2025	139,388	41,874	139,388	88,808
11/28/2025	139,506	32,730	139,506	82,576
11/29/2025	139,709	33,468	139,709	83,593
11/30/2025	21,525	5,343	139,834	87,114

Key Objectives

Sayuru was developed to minimise risks for fishermen by providing a platform to receive accurate weather information and alerts, instantly in their own language.

Project Partners

- Department of Meteorology
- Department of Fisheries and Aquatic Resources
- National Aquatic Resources Research and Development Agency (NARA)
- Marine Environment Protection Authority (MEPA)

Impact in 2025

- NARA Collaboration – May 2025
- HNB General Insurance Collaboration (Introduced Weather Base Index Insurance for Fishermen) – July 2025
- 65,000 active users onboarded with this year and over 1,000 Mobile Application Downloads
- Won National Best Quality Software Award (NBQSA) 2023 - Bronze
- 160,000+ users since its launch in 2020, the Sayuru voice and SMS service has an active user-base of over 100,000 day-boat fishermen, delivers 2.1 million weather alerts via SMS per annum, and supports an average of 800,000 emergency calls annually.



aligning with the SDG Goal 5 - Gender Equality, Yeheli was introduced in 2018 to address some of the most pressing issues faced by women due to strict cultural norms, thereby encouraging them to use the Internet to enhance the quality of their lives.

The 2025 Breast Cancer Awareness Campaign was a fully-integrated digital initiative executed under the theme #APledgeFromTheHeart, by Dialog and in partnership with the Indira Cancer Trust. The campaign aimed to create awareness on the importance of early detection, encourage regular self-breast examinations and drive registrations for a free monthly SMS reminder service. A dedicated webpage was developed on yeheli.lk to centralise information, increase awareness, and capture SMS registrations. The campaign was delivered through static creatives, video reels, influencer / celebrity collaborations, and commercials across Meta, TikTok, YouTube, and LinkedIn. Furthermore, Dialog has committed to supporting UN Women's Empowerment principles, aligning with the seven principles of gender equality and empowerment. This commitment reflects Dialog's ongoing efforts to contribute to a more inclusive and equitable society for all.

Yeheli

Yeheli.lk / Thozhi.lk, the first-of-its-kind, is a digital platform in Sri Lanka, dedicated to assist women's health and well-being since 2018. Yeheli.lk is an anonymous, free, trilingual messaging platform that connects users with expert advice, through the web. In simpler terms it digitally connect subject-matter-experts to user queries with its intelligent platform. The service is reinventing the way people in developing countries access specialist advice.

Categories of experts or advice include counselling, medical advice, financial and career advice, legal advice and how to navigate situations involving the police and other authorities.

Yeheli.lk can be accessed through the URL www.yeheli.lk. User queries are received via typed message, along with the option of attaching image. The idea of Yeheli prompted resulting in the findings of the 2017 Global System for Mobile Communications (GSMA) research on worldwide mobile usage trends. The study revealed that one of the key reasons for the evident gender gap in mobile data usage in Sri Lanka is women finding the Internet "not relevant" to them. Hence,

Key Objectives	Yeheli.lk creates a safe and trusted space for women to learn about and discuss a range of topics which may be too sensitive to be discussed with family and peers, such as abuse, mental health issues, sexual health, contraceptives, relationship issues, domestic violence, etc.		
Project Partners	<ul style="list-style-type: none"> ▶ Without Borders Sri Lanka – Provides mental health and medical health experts ▶ Doc 990 – Medical experts ▶ Hithawathi – Cyber Harassments (PR partner) 		
Impact in 2025	<table border="0"> <tr> <td style="vertical-align: top;"> Awareness and Reach <ul style="list-style-type: none"> ▶ Reached 4.8 million users ▶ Generated 5.7 million impressions ▶ Achieved 8.37 million video views ▶ Drove 99,590 link clicks through boosted Meta and TikTok campaigns </td> <td style="vertical-align: top;"> Engagement <ul style="list-style-type: none"> ▶ Generated 879,000 total engagements ▶ Added 37,300 new users to the Yeheli Breast Cancer Awareness page </td> </tr> </table>	Awareness and Reach <ul style="list-style-type: none"> ▶ Reached 4.8 million users ▶ Generated 5.7 million impressions ▶ Achieved 8.37 million video views ▶ Drove 99,590 link clicks through boosted Meta and TikTok campaigns 	Engagement <ul style="list-style-type: none"> ▶ Generated 879,000 total engagements ▶ Added 37,300 new users to the Yeheli Breast Cancer Awareness page
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Social and Relationship Capital



Response to Cyclone Ditwah



In 2025, Dialog played a pivotal national role in disaster management, rapidly restoring connectivity after Cyclone Ditwah by repairing damaged fibre routes and bringing back online more than 2,200 affected sites out of 6,000 within days, despite severe flooding, power outages, and restricted access conditions. The Company worked closely with the TRCSL, Tri-Forces, Police, and the Disaster Management Centre to support emergency operations, while also providing extensive relief to citizens - delivering over 1.4 billion free voice minutes, 1.4 billion SMS, 4.5 million GB of mobile data, 10 million GB of home broadband data, and complimentary access to 39 TV channels to keep the country informed and connected. Dialog

also facilitated national early-warning communications by issuing over 4 million emergency alerts and supported humanitarian efforts that reached more than 400,000 affected families.

As the largest network provider in the country and communication is critical in responding to disasters, Dialog has in place a comprehensive, end-to-end Disaster Risk Reduction (DRR) management process that integrates prevention, preparedness, response, and continuous improvement to safeguard network continuity and public safety.

Cyclone Ditwah had a significant impact on the country's infrastructure, including our own networks. For Dialog, it included the restoration of 2,200 disrupted sites and damaged fibre routes, one of the fastest national-scale recovery efforts in recent years.

Dialog also plays a critical public-safety communication role, supporting early-warning dissemination to millions of citizens. During the cyclone, Dialog issued over 40 million emergency alerts, enabling nationwide public-safety communication and supporting evacuation and emergency response efforts. This capability builds on Dialog's long-standing work in disaster early warnings, including projects such as DEWN (Disaster and Emergency Warning Network), developed in collaboration with the Disaster Management Centre to deliver multi-channel alerts via mobile apps, cell broadcasts, SMS, and other channels - strengthening Sri Lanka's mass-notification system for tsunamis, floods, and other hazards.

Our disaster management approach is set out below:

Ongoing Hazard Identification and Risk Monitoring

Climate-related, operational, and infrastructure vulnerabilities are assessed to anticipate threats to critical communication services

Preventive Resilience Measures

This includes strengthening fibre routes, enhancing infrastructure redundancy, expanding backup power systems, and building climate-resilient sites, supported by long-term investments aimed at improving national network reliability

Activate Disaster Response Framework

Coordinating engineering, field, and technical teams along with national agencies such as the TRCSL, Tri-Forces, Police, and the Disaster Management Centre to ensure rapid restoration of communication services.

Post-Incident Review

This ensures that the Company doesn't just recover, but evolves. Every disaster provides data. By analysing how the 2025 cyclone damaged specific towers, Dialog can "future-proof" its next USD 250 million investment. This prevents the Company from making the same expensive mistakes twice, turning a disaster into a blueprint for a more robust network.

Dialog's emergency support to affected communities

Free communication services to keep public informed during disaster

- > 1.4 Bn SMS
- > 1.4 Bn voice minutes
- > 4.5 Mn GB of mobile data
- > 10 Mn GB of Home broadband data
- Free access to 39 TV channels

Commitment to Rebuilding Sri Lanka national programme

- Rs.420 Mn committed through a Memorandum of Understanding signed at the Prime Minister's Office
- Committed USD 250 million over three years to build 800 new sites and further harden climate-resilient infrastructure.
- Infrastructure Modernisation: Partnering with ministries to refurbish 20+ school computer labs and upgrade High Dependency Units in key hospitals.



Dialog commits Rs. 420 million to Rebuilding Sri Lanka after Cyclone Ditwah

Ratmalana Audiological Centre

The Ratmalana Audiological Centre (RAC) is Dialog's longest standing commitment to addressing the marginalised issues of hearing, sight, and speech impairments. This non-profit Social Enterprise has lived up to its founding aspiration.

The RAC provides comprehensive audiological services to individuals with hearing-related concerns or issues. Its range of services include diagnostic evaluations, treatment options, and rehabilitation services for individuals of all ages experiencing hearing loss or other auditory disorders. The centre is staffed by trained audiologists who utilise state-of-the-art equipment and techniques to assess hearing abilities, identify hearing impairments, and recommend appropriate interventions. Services at the RAC may include hearing tests, hearing aid fittings, cochlear implant evaluations, auditory processing evaluations, and counselling for individuals and their families.

The goal of the centre is to improve the quality of life for individuals with hearing difficulties by providing personalised care and support tailored to their unique needs.

Dialog undertook the establishment of the RAC as part of its corporate social responsibility / community investment initiatives. Its sustainable operational model enables the RAC to cover its operational and administrative expenses including the salaries of its staff. The facility is managed by the Ratmalana School for the Deaf and as such students at the school receive free hearing tests and speech therapy services. Meanwhile, in line with its social responsibility policy, the RAC conducts hearing tests free-of-charge for people with low-income statuses, subject to having a recommendation from a Government ENT Doctor or Grama Niladhari. In addition, free neonatal screening tests are done for newborns at Government hospitals in the vicinity; mainly the Colombo South Teaching Hospital, Kalubowila and Kethumathi Maternity Hospital, Panadura.

Social and Relationship Capital

Key Objectives	<ul style="list-style-type: none"> To set up a centre of excellence in hearing and speech testing and therapy with the most challenging cases being referred there.
Project Partners	<ul style="list-style-type: none"> Ceylon School for Deaf and Blind
Impact in 2025	<ul style="list-style-type: none"> Cumulative investment since inception > Rs.70 Mn 2025 shows clear recovery, moving from repeated losses toward improved profitability. Service impact increased in 2025, driven mainly by growth in speech therapy sessions. Community support expanded significantly in 2025, with higher value of free services delivered. Revenue shows strong growth, with 2025 achieving the highest performance, especially in Q4. Free services for CSDB in 2025 - 4,047,000 Free services for Community in 2025 - 5,639,270

Suraksha

1. Dialog Suraksha: Parental Control Service

This is a software-based service for Dialog Mobile and Home Broadband customers. It helps parents manage their child's digital life without needing a separate device.

Key Features:

- Content Filtering:** Block unsafe websites or restrict access only to educational and work-related sites.
- Time Limits:** Set specific browsing windows (e.g., no Internet during homework hours or late at night).
- Real-Time Tracking:** Monitor the location of the child's mobile phone via the MyDialog app.
- Safe Contacts:** Manage who the child can communicate with.

- Cost:** The service is often advertised as free-of-charge for Dialog customers to activate via the MyDialog app or web portal.

2. Dialog Suraksha Tag

This is a physical, wearable tracking device (GPS tag) launched in late 2024, ideal for younger children who don't yet have a smartphone.





Key Features:

- Real-Time GPS Tracking:** Uses 4G and GPS for precise location monitoring via the TeDi Fleet app.
- SOS Button:** A dedicated emergency button that sends an immediate notification to the parent.
- Geofencing and Alerts:** Get "drop-off" and "pick-up" notifications when the child arrives at or leaves school or home.
- Travel History:** Replay the child's travel routes for the day.
- Subscription:** Annual fee of roughly Rs. 2,250 to maintain the tracking services.

Summary Table

Feature	Parental Control Service	Suraksha Tag (Device)
Primary Use	Online safety and phone tracking	Physical safety and location tracking
Best For	Older kids with their own phones	Young kids without phones
Hardware	None (uses existing phone)	Wearable 4G Tag
Major Benefit	Blocks unsafe web content	Emergency SOS button

A list of Dialog community activities implemented during the year and ongoing activities are set out below.

Project / Initiative	Description	Impact	Dialog Investment (Rs.)	Project Partners	Relevant SDG
EcoMatcher	This initiative, a partnership between Dialog Axiata PLC and EcoMatcher, addresses Sri Lanka's climate challenges by enabling scalable reforestation and credible carbon offsetting through a tech-driven digital platform. Launching in January 2025, it allows individuals and businesses to plant and track trees online with transparent, real-time insights into growth, carbon absorption, and environmental impact, aligning with SDG 13: Climate Action.	1,200 trees have been planted till date	1,879,837	EcoMatcher	
DeafTawk	In Sri Lanka, persons with disabilities (PwDs) face significant barriers to economic participation, with 70.93% not economically active and clear gender disparities in employment, despite a mandated 3% state-sector quota. Addressing these challenges we launched Sri Lanka's first trilingual version of the DeafTawk sign language interpretation app, bringing deaf and hearing-impaired persons closer to their communities. Launched at Dialog premises with users and interpreters present, the app offers real-time access to over 50 sign language interpreters, affordable usage packages, zero data charges for Dialog customers, and a convenient "add to bill" option, reinforcing Dialog's commitment to inclusive connectivity in line with GSMA principles for digital inclusion of persons with disabilities.	<ul style="list-style-type: none"> - Current users in 2025 – 1,500+ (total) - Total minutes consumed by users - 850 - Incorporation of the DeafTawk solution for all Dialog Customer Care Centres. - First of its kind app in Sri Lanka - First app in Sri Lanka to resolve the communication gap for the PwD community - Enhance the accessibility of the PwD people to the Dialog Services. 	N/A		  
Nethsuwaya	Started by Dialog Axiata PLC in 2015, the project donating spectacles was rebranded as Neth Suwaya in 2021. It provides custom made spectacle for low-income communities, which will help them immensely to carry out their day-to-day activities or earn a living (e.g. sewing, bookkeeping, write letters) without any difficulties.	Provided over 1,200 spectacles, to school children in the Western Province and signed a MOU to support children from the plantation sector over the next two years.	1,795,801		

Social and Relationship Capital

Project / Initiative	Description	Impact	Dialog Investment (Rs.)	Project Partners	Relevant SDG
Merit Scholarships	Established in 2003, the Dialog Merit Scholarship programme provides financial assistance to high performers at the General Certificate of Education (G.C.E.) Ordinary Level (O/L) and the G.C.E. Advanced Level (A/L) examinations each year. With the aim of encouraging these students pursue their higher education, the scholarship scheme has assisted over 1,000 talented students since its inauguration through a commitment of more than Rs. 130 million	111 scholars awarded with scholarships worth of Rs. 3.5 Mn	7,131,504		



Invited Public Contributions via Karuna.lk



Nethsuwaya



Merit Scholars



Dialog MAS Enabler Programme 2025

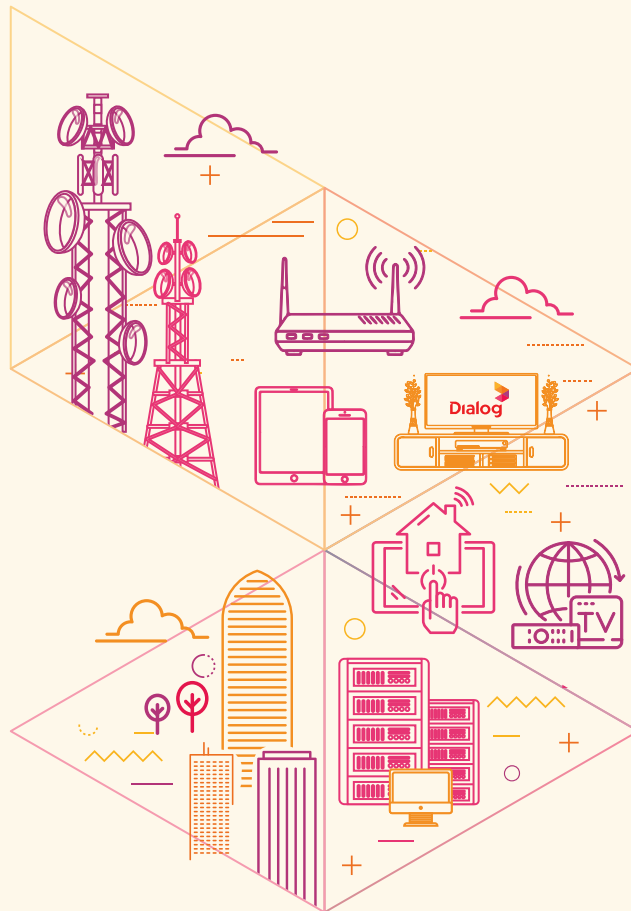


Dialog Partnered with EcoMatcher to Launch Transparent, Tech-Driven Tree Planting in Sri Lanka

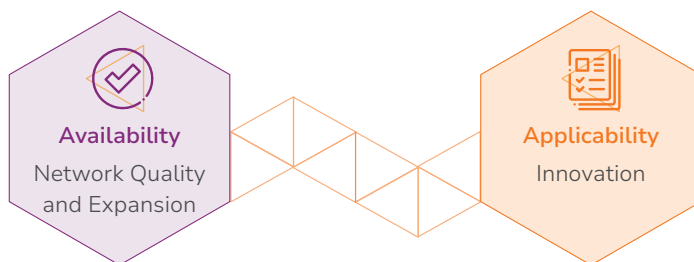


Manufactured Capital

Our network infrastructure and technology platforms form the foundation of our ability to deliver seamless connectivity. Through continued investment in resilient and future-ready infrastructure, we connect individuals, businesses and services to opportunities both locally and globally. As digital demand continues to evolve, we remain focused on strengthening and expanding these capabilities to deliver reliable, high-quality connectivity, supporting the country's growing digital needs and enabling new possibilities for those we serve.



Our Material Topics



GSM 1:INC-01

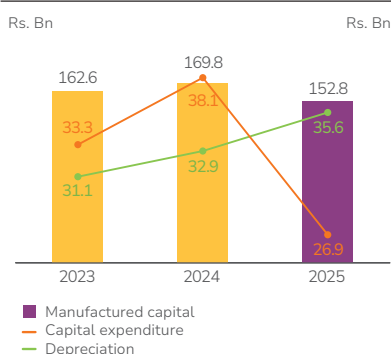
97.53%

of population covered by 4G network

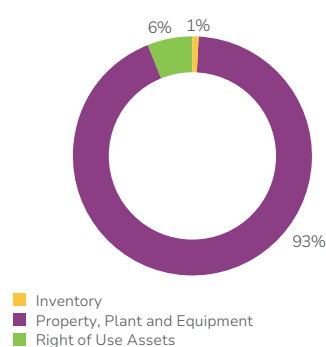
Overview of Manufactured Capital

Manufactured Capital comprises Property, Plant and Equipment (PPE), Right of Use Assets and Inventory. However, as PPE accounts for 51.43% of the total, this segment focuses primarily on PPE.

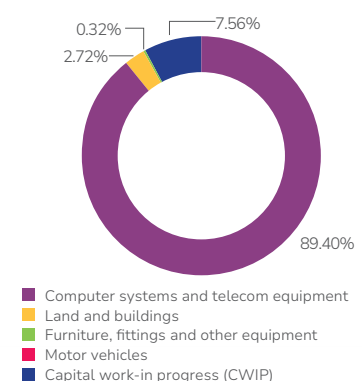
Manufactured Capital



Analysis of Manufactured Capital



Analysis of Property, Plant and Equipment



Manufactured Capital

Network Infrastructure

- No. of Sites: **5,509**
- Fibre: **6,872 km**
- Submarine Cables: **03**
- Tier III Data Centres: **02**
- Other Data Centres: **02**
- Submarine Cable Landing Stations: **02**

Telecommunication Equipment

Base Stations:

- 2G: **5,294**
- 4G Mobile Broadband: **5,500**
- 4G Home Broadband: **2,699**
- 5G: **220**
- 5G Standalone (SA)-Capable Cloudified Core Network
- Enterprise Cloud Platforms

Managing Manufactured Capital

GRI 3.3

Dialog follows a structured, data-driven network planning process to ensure reliable, inclusive, and future-ready connectivity across Sri Lanka. Network planning is anchored in customer demand trends, traffic growth patterns, quality-of-service metrics, regulatory obligations, and national development priorities, including rural coverage, digital inclusion, and disaster resilience.

Planning is undertaken through multi-year rolling network plans, which evaluate:

- Urban, suburban, and rural traffic growth forecasts
- Coverage gaps and capacity constraints
- New technology introduction (e.g., 5G, network virtualisation)
- Spectrum strategy
- Energy efficiency and environmental performance

Network expansion projects are prioritised to optimise socioeconomic impact, such as improving connectivity for households, SMEs, public services, education, healthcare, and emerging digital industries across the country.

Capital expenditure at Dialog is governed through robust financial and governance frameworks, ensuring

disciplined investment while supporting long-term national digital infrastructure development.

CapEx approval process:

- Network and technology investment proposals originate from operational planning teams
- Business cases assess strategic alignment, financial viability, customer impact, risk, and sustainability considerations
- Proposals undergo multi-tier management review, culminating in Board-level oversight for major investments.
- Strategic capital allocation is aligned with Axiata Group's Capital Management Framework, which enforces disciplined capital deployment across operating companies.

Procurement governance:

- Procurement follows structured vendor selection processes emphasising technical readiness, lifecycle cost, ESG compliance, cybersecurity, and resilience
- Long-term strategic partnerships with global technology leaders enable Dialog to adopt best-in-class solutions while maintaining operational reliability

- ESG and ethical standards are embedded into procurement and supplier engagement, reinforcing responsible sourcing practices.

Dialog maintains a continuous technology renewal cycle, ensuring that the network evolves in line with global standards and local requirements. This approach has enabled Dialog to consistently introduce new generations of mobile technology first in Sri Lanka, including 2G, 3G, 4G, and now 5G.

Key elements of the technology upgrading model include:

- Ongoing assessment of emerging technologies (e.g., cloud-native networks, AI-driven automation)
- Large-scale trial deployments prior to commercial rollout
- Gradual migration strategies to minimise customer disruption
- Continuous optimisation to improve network performance, spectral efficiency, energy efficiency and network resilience

Network statistics and performance, customer experience indicators, and future scalability are regularly reviewed to ensure investments remain aligned with market needs and national digital strategies.

Dialog plays a pioneering role in introducing advanced telecommunications technologies to Sri Lanka, acting as a national technology enabler rather than only a network operator.

- Dialog was the first operator to commercially enable 5G in Sri Lanka.
- At launch, Dialog's 5G network comprised over 220 live sites and more than 1.5 million connected users. The network has since expanded to over 1,000 live sites across all 25 districts.
- Dialog has committed USD 100 million toward nationwide 5G expansion to support enterprise and consumer transformation.

Through strategic partnerships with global technology leaders, Dialog accelerates adoption of AI-ready, cloud-native, and energy-efficient network architectures, positioning Sri Lanka for the next phase of digital growth.

Dialog's network investments directly support Sri Lanka's socioeconomic development by enabling:

- Digital inclusion for underserved communities
- Productivity gains for businesses and industries
- Innovation in healthcare, education, logistics, tourism, finance, and agriculture
- Job creation through digital ecosystems and SMEs
- Enhanced disaster response and public service delivery

The introduction of 5G is widely recognised as critical infrastructure for Industry 4.0, enabling automation, real-time analytics, cloud computing, and new digital business models that enhance national competitiveness and attract long-term investment.

By operating at scale and consistently investing ahead of demand, Dialog acts as a national digital backbone, empowering Sri Lanka's transition toward a more resilient, inclusive, and technology-driven economy.

Strategy

Driven by a surge in data-intensive applications and a growing subscriber base, Dialog is aggressively scaling our infrastructure to stay ahead of demand. Our strategic investments in 5G deployment, expansive fiberisation, and nationwide coverage are designed to deliver superior network performance.

Recognising the transformative potential of Artificial Intelligence, we are currently formulating roadmaps to achieve advanced autonomous network standards. Furthermore, our Tier III data centres stand ready to support the escalating digital and storage requirements of the enterprise sector.

Strategic Priorities	Key Achievements in 2025	Short, Medium and Long-Term Plans
Commercial launch of the 5G Network	Dialog obtained the 5G commercial license in December 2025. The 5G network consisted of 220 sites by end of 2025, covering close to 7% of the population.	Over 1,000 5G sites by end of 2026.
Network Automation	Improved the automated network (AN) level from 1.7 to 2.25 during 2025.	Achieve AN level 3.7 by end 2028.
Data Centre Consolidation	Reduced the number of network data centres from seven to three. One additional data centre is dedicated to enterprise workloads.	
Completion of Airtel Network Consolidation	The Airtel network and IT integration was 100% completed in 2025 with the consolidation of core network, converged billing system and other IT system integrations. The radio network consolidation was completed in 2024.	

● Availability ● Applicability

Availability – Network Quality and Expansion

Commercial Launch of 5G Network

Dialog has taken a major step in Sri Lanka's digital transformation with the commercial launch of Dialog 5G Ultra, positioning itself as the country's first provider to offer commercial 5G services. Backed by over 220 operational 5G sites, the network serves more than 1.5 million subscribers, offering ultra-fast speeds, low latency, and robust performance. This is supported by a dual spectrum strategy that allows Dialog to address both broad mobile coverage and high-capacity, gigabit-speed demands, ensuring readiness for future consumer and business needs.

Manufactured Capital

Dialog's commitment to invest USD 100 million over the next two years in 5G expansion demonstrates a strong focus on long-term growth, digital infrastructure leadership, and technological innovation. The Company's history of pioneering mobile technologies in South Asia and its ongoing partnership with regulatory authorities reinforce its competitive advantage and strategic positioning in Sri Lanka's evolving digital economy.

Our 5G Journey

True to the Company's brand promise 'The Future.Today.', Dialog succeeded in bringing the futuristic experience of 5G to Sri Lankan consumers as early as from 2017. Being the first telecommunications service provider in the South Asian region to demonstrate 5G capabilities in 2017, Dialog then continued to showcase the mobile network leadership position in 5G with following milestones up until the commercial launch in 2025

- ▶ Fully standards-based 5G mobile service for the first time in South Asia, the first 5G showcase in South Asia in 2017 and 5G fixed-wireless pilot transmission in December 2018
- ▶ South Asia's first Trial 5G network opened for consumers in 2020
- ▶ Widest trial 5G network with the addition of 87 new sites in 2021 covering targeted areas in Colombo city, suburbs and outstation areas such as Kandy, Negombo, Galle
- ▶ South Asia's First 5G Standalone (5G SA) mode Proof of Concept trial in 2022
- ▶ South Asia's First 5G mmwave FWA demonstration with speeds exceeding 4 Gbps through live NSA network in 2022
- ▶ Sri Lanka's First Live network trial of 5G Standalone and Voice over NR in 2025
- ▶ Demonstrated record breaking Mobile speed of 6.2 Gbps over 5G SA network in 2025 by aggregation of trial spectrum carriers in C-band.

Benefits of 5G

Individuals

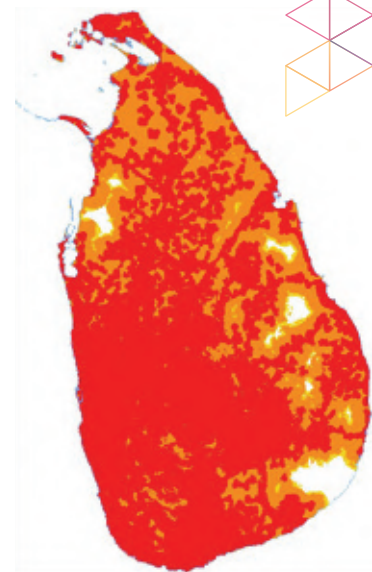
5G can enable higher bandwidth and lower latency for customers compared to previous technologies. With these features, users are able to consume more applications, higher definition videos, real time applications that require lower latency such as cloud gaming, Generative AI assistants seamlessly without interruptions and inconvenient lagging. Moreover, 5G can bridge the broadband connectivity gap of individuals who are unable to use fiber broadband due to inaccessibility or affordability issues. With the higher accessibility of 5G, individual will have improved access to digital, financial, educational tools and also enable remote work and provide more opportunities in employment all contributing to enhance quality of life of individuals.

Corporates

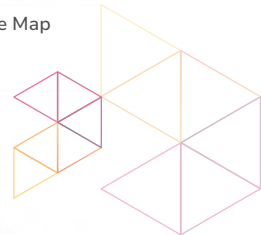
5G can enable enterprises to benefit from significantly higher bandwidth, ultra-low latency, and the ability to connect a massive number of devices simultaneously compared to previous technologies. These capabilities allow businesses to adopt advanced digital solutions such as real-time data analytics, cloud computing, Internet of Things (IoT) applications, and AI-driven automation more effectively. With reliable high-speed connectivity, organisations can implement smart operations including remote monitoring, predictive maintenance, automated manufacturing, and intelligent logistics systems. Additionally, 5G enables businesses to support high-quality video collaboration, remote work environments, and secure connectivity for distributed workforces. By enabling faster decision-making, improved operational efficiency, and new digital business models, 5G can help corporates enhance productivity, reduce operational costs, and accelerate innovation across industries.



Broadband Coverage Map



Voice Coverage Map



Network Restoration Post Cyclone Ditwah

Cyclonic Storm Ditwah made landfall on Sri Lanka's eastern coast on the 28th of November 2025. Unfortunately, the extreme weather conditions across multiple areas caused a significant network outage, impacting approximately 46% of the total network. The major outage occurred

due to the isolation of both primary / redundant fiber connectivity and commercial power unavailability for extended durations. Despite the major damage to the network, extremely poor road access and very limited resources, Dialog as a team managed to fully recover the network within a very short period of 7 days, with strong support of the government, the tri-forces and our partners.

Infrastructure Modernisation

The core network has been transitioned to cloud-based architecture, with only a limited portion of legacy infrastructure remaining. Key network functions, including 4G and 5G data platforms, voice services, and core systems, now operate on cloud infrastructure. This transformation enabled the phased retirement of legacy data centres by end 2025, strengthening network scalability, efficiency, and long-term resilience.

Enhancing Network Security

During FY2025, the organisation executed a structured Cybersecurity Revamp Programme aligned to ISO 27001:2022 and the NIST Cybersecurity Framework. The initiative strengthened cloud security, improved detection and

"True to the Company's brand promise 'The Future.Today.', Dialog succeeded in bringing the futuristic experience of 5G to Sri Lankan consumers as early as from 2017. Being the first telecommunications service provider in the South Asian region to demonstrate 5G capabilities in 2017, Dialog then continued to showcase the mobile network leadership position in 5G."

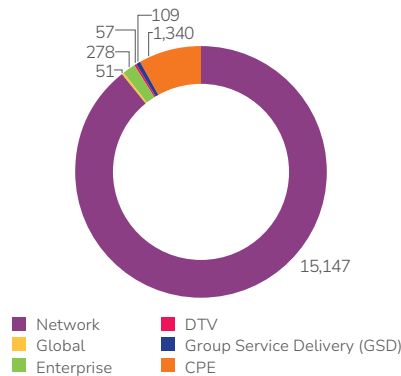
response capabilities, enhanced third-party risk governance, and embedded Zero Trust principles, significantly advancing cybersecurity maturity, operational resilience, and Board-level risk visibility across the enterprise.

Key Areas of Capital Expenditure

Of the Group's total capital expenditure of Rs. 26 billion, Rs. 17 billion was channelled towards strengthening physical network infrastructure, supporting the expansion of 5G and 4G networks, fibre deployment, and data centre capabilities.

These investments underpin a resilient and future-ready network, enabling the Group to meet growing demand for high-speed connectivity while advancing operational efficiency.

Categories for Capital Expenditure



Applicability – Relevant Innovation

Dialog's Network Automation journey has been initiated to simplify and automate existing processes within the Group Technology domain. The primary objective of this initiative is to accelerate service delivery timelines, customer experience improvements, reduce operational costs, and enhance overall operational efficiency.

During 2025, the team focused on key planning, operational, and project-related automation use cases that enable Dialog to progressively advance toward Autonomous Network (AN) Level 3 maturity, in alignment with the TM Forum Autonomous Network framework.

From 2026 onwards, the focus will further evolve toward higher maturity AN Level 4 use cases, where intent driven automation and extensive use of AI will enable closed loop network operations. This transition will significantly enhance the network's ability to operate with minimal human intervention while maintaining high service reliability and performance.

As part of this journey, priority will be given to several high impact automation domains, including Self Optimising Networks, Customer Resolution Automation, Zero Touch Provisioning, Network Planning Automation, Digitised Field Operations, Dark NOC, Predictive Maintenance, Network Observability, Self Healing Network Operations, and Energy Optimisation.

These initiatives collectively aim to transform Dialog's network into a highly intelligent, autonomous, and AI-driven digital infrastructure, capable of supporting the rapidly evolving demands of Sri Lanka's digital economy.

Manufactured Capital

Way Forward

Dialog's investment roadmap remains focused on strengthening network infrastructure and advancing automation capabilities, while continuing to enhance cybersecurity in line with evolving requirements.

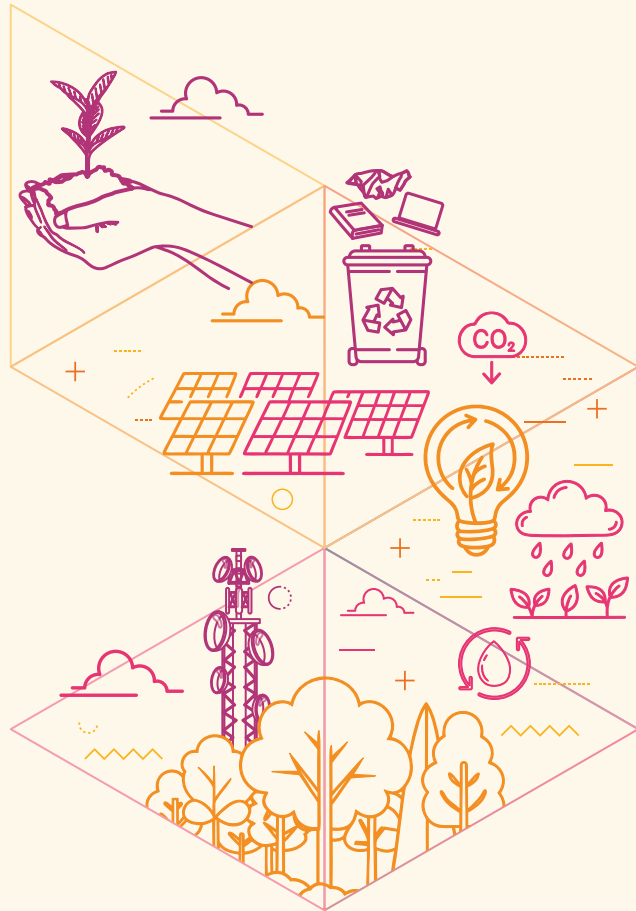
Short-Term	The main focus will be on accelerating 5G network expansion, and prioritising coverage across urban and suburban areas. Investments in network automation will continue to enhance operational efficiency.
Medium-Term	5G coverage will be further expanded to rural areas, alongside the upgrade of the network to 5G Standalone (SA). Progress towards achieving Autonomous Network (AN) Level 3.7 maturity will be a key priority, supported by continued investments in automation.
Long-Term	The Group will continue to invest in fibre infrastructure, including the expansion of fibre-to-the-home footprint over the next 2–3 years. Investments in data centres and cloudification will support growing internal and external workload requirements, including those driven by AI and advanced digital applications over the next 3–5 years.

We will continue to enhance the security posture to match the evolving threat landscape across the short, medium and long-term horizons.



Natural Capital






Our operations are closely linked to the natural environment, and we are mindful of the responsibility this brings. Energy remains our primary input, alongside materials and water, while emissions and waste, including e-waste, form the main outputs of our activities. As we continue to expand connectivity into underserved and environmentally sensitive areas, we take a balanced approach to minimising our impact while enabling inclusion. Through responsible resource use and environmental stewardship, we aim to support long-term sustainability alongside digital progress.



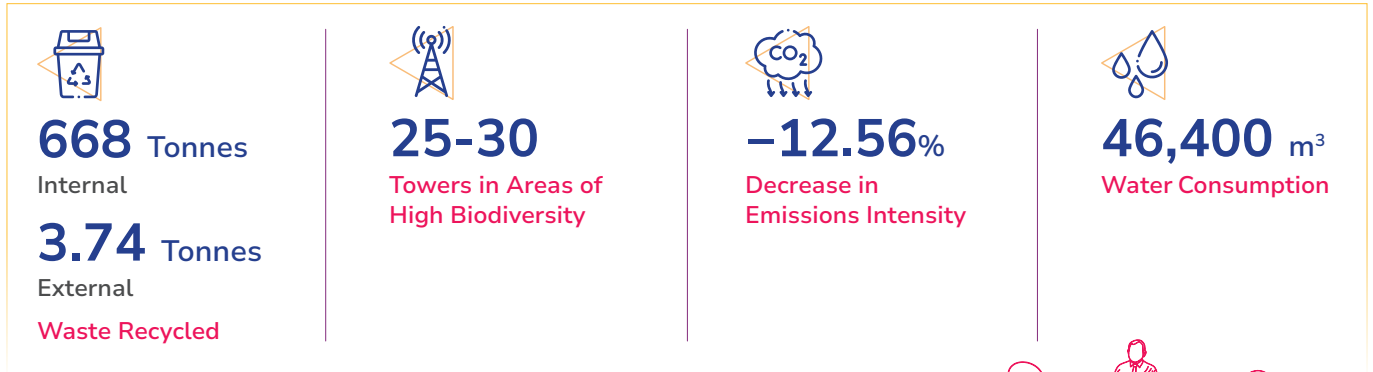
Our Material Topics



Overview of Our Impact

 894,269.300 GJ Total Energy Consumption	 1,067 Sites Solar Sites	 718,684.3 kg Total Waste Generated
 6,090.473 MWh Renewable Energy Generated	 3,706.54 MTCO ₂ e Scope 1 Emissions 111,387.04 MTCO ₂ e Scope 2 Emissions	

Natural Capital



Managing Natural Capital

The Board Risk and Compliance Committee (BRCC) has oversight responsibility for ensuring that robust processes are in place to identify, assess, and monitor Climate-Related and Sustainability-Related Risks and Opportunities (CRROs and SRROs), with quarterly reporting to the Board of Directors. In this role, the BRCC is supported by the Risk and Compliance Management Committee (RCMC).

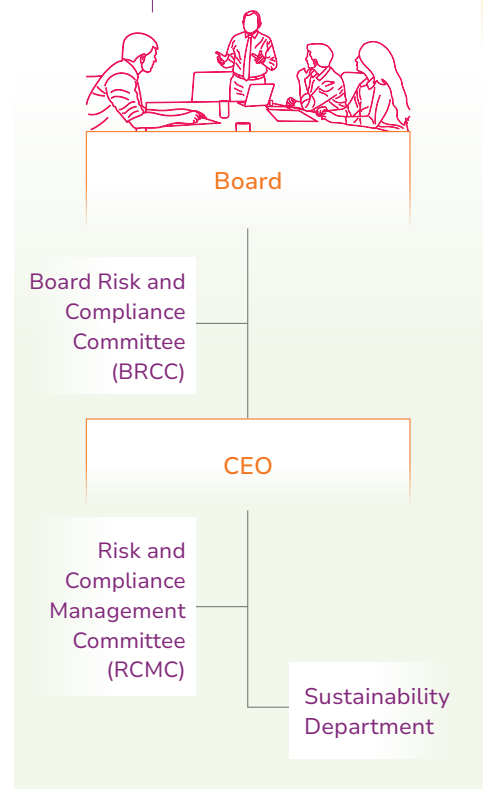
Identified CRROs and SRROs are first reviewed by the RCMC before being escalated to the BRCC, where key developments are considered and integrated into the Group’s strategic direction.

The governance body takes CRROs and SRROs into account when overseeing strategy, making decisions on major transactions, and shaping its risk management policies.

- Environment Management Framework
- Chemical Management Policy
- Waste Management Policy
- ESG Policy

The Group adopted the ISO 14001 Environmental Management System (EMS) in 2021 and obtained recertification in March 2024. Annual company-wide training on ISO 14001 is also conducted to reinforce environmental management practices.

Refer BRCC Report on pages 168 and 169



Strategy

GSMA 1 ENV-01

The Group takes a short, medium and long-term view of natural capital and have determined the following targets which are aligned to the parent company’s targets which have been approved by SBTi. The base year for these targets was 2022, which was selected due to the maturity of reporting at the time which made it a reliable base from which to measure progress.

	Base Year Indicator	Short-Term (2026)	Medium-Term (2027-2028)	Long-Term 2030
Reducing Emissions				
- Scope 1 and 2	2022	1,182 tCO ₂ e	1,180 tCO ₂ e	42%
- Scope 3	2022	N/A	N/A	25%

Environmental Performance and Climate Action

This pillar is the most critical and the two topics, Energy and Emissions, are highly correlated. Our ambitious promise of a net-zero future by 2050, is aligned with the Axiata Group's overarching objectives that encourage the adoption of natural, sustainable solutions to combat the global climate crisis.

Axiata's Net Zero Carbon Roadmap objectives:

- ▶ Formalising our focus on decarbonising our operations
- ▶ Transforming our value chain
- ▶ Delivering an inclusive climate agenda to energise societal action

Environment Performance and Climate Action	Strategic Initiatives	As at 31.12.2024	Progress in 2025	As at 31.12.2025
	Greening our network by installing solar powered network sites	1,064	New solar installation – 3 sites Solar expansion – 2 existing sites	1,067
	Energy optimisation by converting indoor base stations to more energy efficient outdoor base stations	1,175	2 sites completed	1,173
	Identify and rectify high Power Usage Effectiveness (PUE) sites through targeted interventions	10	Implemented Power Usage Effectiveness improvement in sites by cabin consolidation and commercial power meter replacement in 25 sites.	35
	Tech-driven tree planting platform in partnership with EcoMatcher empowering individuals and businesses to digitally plant and track trees for reforestation and carbon offsetting	Commenced in 2025	EcoMatcher, a pioneer in digital forestation, works with vetted foundations worldwide to ensure transparency and accountability in reforestation efforts. Through this platform, customers can pledge trees online, track their growth via regular updates, and monitor carbon absorption. Businesses can plant forests, gift trees, and offset their carbon footprint with Verra-certified carbon credits, while benefiting from tailored features like impact reporting and API integration for large-scale initiatives.	Planted 1,200+ trees in 2025
	Data centre consolidation	N/A	The IT loads at Maligawatta, Kala, and Akbar have been fully decommissioned, leading to reduced energy consumption and associated power cost savings.	Annual savings 364.64 tCO ₂
	Solarisation of data centres	5 sites	Solar projects were implemented in 4 data centres.	9 sites
	Savings from PUE reduction through optimisation methods	N/A	Air Conditioning (AC) optimisation was carried out during the data centre decommissioning process as well as in our permanent locations. Other initiatives like temperature adjustment and cold isle separation projects were carried out at our permanent sites.	Annual savings 36.99 tCO ₂

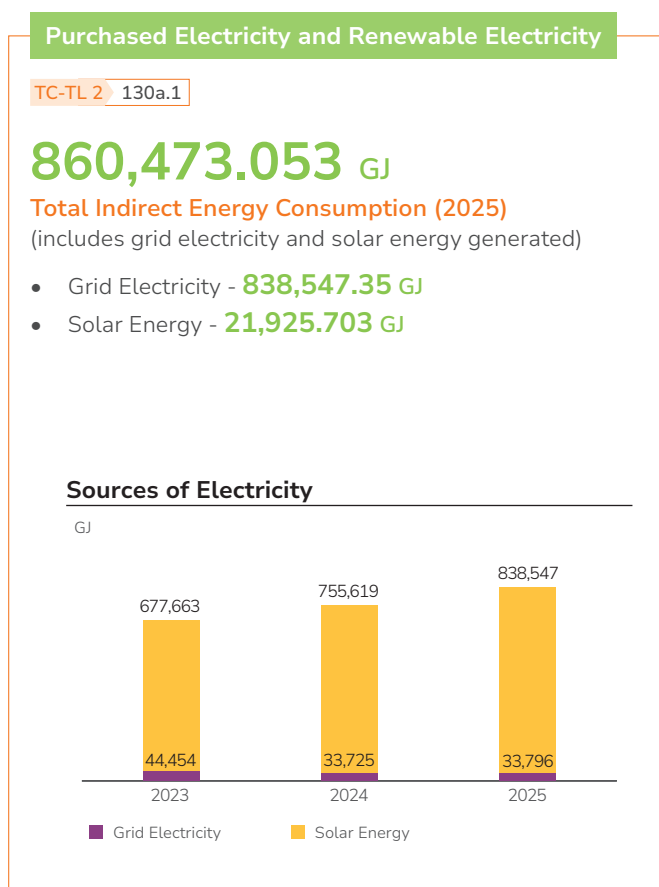
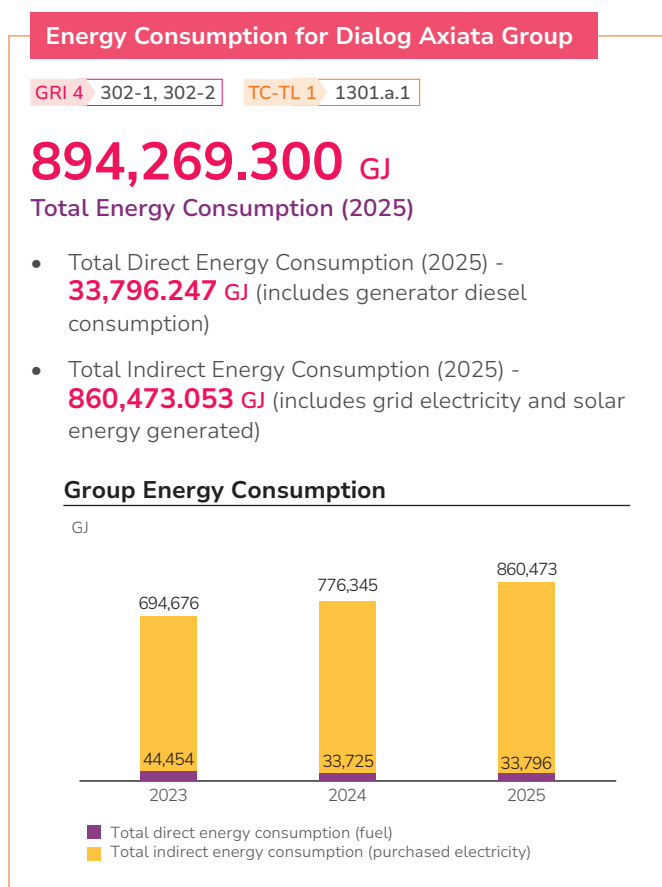
Natural Capital

Energy

Dialog considers both energy consumption within the Group and outside the Group in compliance with global standards for sustainability reporting.

Energy Consumption Within the Group

Energy consumption within the Group as a whole is set out below in graphical form in GJ as per SASB requirements. A separate table provides the information on energy consumption required by the GSMA Standard due to the varied requirements in comparison with SASB.



GSMA ENV-03	Unit of Measure	2025	2024	YOY Change (%)
1.3a. Total Energy Consumption				
Total Energy Consumption	GJ	894,269.30	810,069.40	10.40%
Purchased electricity	MWh	232,929.82	209,894.25	10.98%
Purchased electricity from renewable sources	MWh	0	0	0
Generated electricity consumed by the Company, from renewable sources	MWh	6,090.47	5,757.03	5.79%
Total diesel consumption in generators	Litres	882,639	880,772.00	0.21%

GSMA ENV-03	Unit of Measure	2025	2024	YOY Change (%)
1.3b. Network Energy Consumption				
i. Total network energy consumed, including core, fixed and mobile networks (GJ)	GJ	875,493.501	790,905.617	+10.7%
ii. Energy consumed by mobile networks (MWh)	MWh		Not available	
iii. Total network energy consumed per unit data	(GJ/GB)	0.000371	0.000394	-5.97%
iv. Total network energy consumed per subscription	(GJ per subscription)	0.039175	0.036280	+7.98%

Energy Consumption Outside the Organisation			
Category	2025 (MTCO ₂ e)	2024 (MTCO ₂ e)	YOY Change (%)
1. Fuel- and Energy-Related Activities	11,138.7	10,563.98	5.44%
2. Waste Generated in Operations	44.76	71.23	-37.16%
3. Business Travel	809.42	682.07	18.67%
4. Employee Commuting	5,108.94	4,908.19	4.09%

Energy Intensity

GRI 6 302-3

The Group's emission intensities are set out below.

Indicator	2025	2024	YOY Change %
Energy consumption per customer	0.040015	0.041330	-3.18%
Energy consumption per employee	341.454	275.534	23.92%
Energy consumption per Rs.	0.000005	0.000005	5.91%
Energy consumption per 1 GB of data	0.000379	0.000404	-6.29%

Increase in Energy Consumption

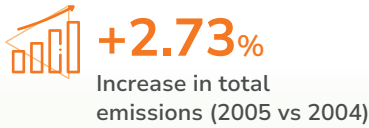
GRI 7 302-4

2025 is the first full year post the merger of Airtel which resulted in an overall increase of energy consumption of 10.39% amounting to 894,247.130 GJ to 810,069.405 GJ over 2024 despite the initiatives implemented in the Environmental Performance and Climate Action pillars. The computation covers fuel used for operations and generators, purchased electricity and renewable energy generated within the network.

Emissions

Dialog measures and manages greenhouse gas emissions across its operations and value chain in line with global sustainability reporting standards. Emissions are assessed across Scope 1, Scope 2, and relevant Scope 3 categories, enabling a comprehensive view of the Group's environmental footprint and supporting targeted decarbonisation efforts, with progress measured against a 2022 base year aligned to SBTi-approved targets.

Natural Capital

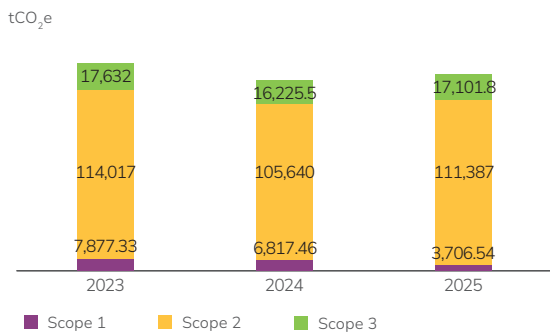


Emissions Profile of the Group

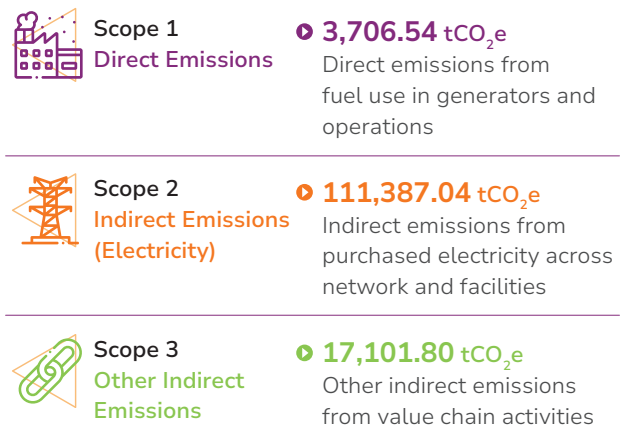
GRI 9 305-1, 305-2, 305-3 TC-TL 1 1301.a.1

Total Emissions - Dialog Axiata Group

132,195.41 MTCO₂e
Total Emissions (2025)



Emissions Breakdown by Source



Emissions Intensity

GRI 10 305-4

The Group's emission intensity ratios are given below.

Indicator	Unit of Measure	2025	2024	YOY Change (%)
Emissions per customer	MTCO ₂ e/customer	0.00592	0.00657	-9.97%
Emissions per employee	MTCO ₂ e/employee	50.48	43.77	15.32%
Emissions per Rs. Mn	MTCO ₂ e/Mn	0.735887	0.751782	2.11%
Emissions per I GB of Data	MTCO ₂ e/GB	0.000056	0.000064	-12.56%

A total of 3,246.13 tCO₂e in carbon emission savings was achieved during the year through a combination of energy efficiency initiatives and renewable energy investments across the Group's operations.

- Within data centre operations, key initiatives included data centre consolidation, efficiency gains from PUE reduction through optimisation initiatives (e.g. AC optimisation), and

the installation of a 60 kW solar system at the Kadawatha CDC Data Centre.

- Across the Access Network, energy performance was enhanced through 14 off-grid to grid conversions, ongoing PUE improvement initiatives, and the deployment of three new solar installations alongside two solar capacity expansions at network sites.

- At facilities and office premises, energy savings were realised through operational controls and behavioural interventions, including walkthrough audits to identify and switch off lights and air conditioning systems operating in an idle state after office hours (where applicable), supported by staff awareness initiatives delivered through e-flyers to optimise energy consumption.

Change in Emissions

GRI 305-5

There was a year-on-year increase of 2.73% in total emissions compared to 2024. This increase primarily reflects the consolidation of Dialog and Airtel operations, with a full 12 months of Airtel emissions recognised in 2025, compared to approximately six months in 2024.

Waste and Circular Economy

GRI 3.3, 306-1, 306-2

We are dedicated to advancing a circular economy by minimising material usage, innovating in the design of materials, products, and services to reduce resource intensity, and transforming waste into valuable inputs for the production of new materials and goods. Accordingly, the following initiatives were implemented during the year to reduce waste and to reduce waste to landfill.

Activities that lead to waste generation include:

Waste Generating Activities	Place Where Waste is Generated	Actions Taken to Minimise Waste
Customer and public e-waste returns (phones, routers, STBs, batteries, chargers, toners, etc.)	Selected Dialog Experience Centres island-wide and retail / collection points	Run e-Kunu product responsibility programme, on island-wide e-waste collection and certified end-to-end disposal under Central Environment Authority (CEA) and Basel Convention. MoU is intact with a licensed recycler Cleantech (Pvt) Ltd.
Internal network / IT decommissioning (RAN, CPE, servers, switches, cables)	NOCs, exchanges, data rooms, warehouses	Govern via ISO 14001:2015 Environmental Management System (EMS) (full scope): asset registry and reuse first; certified e-waste handlers; periodic audits; life-cycle approach to waste prevention.
Battery replacements (Li-ion / lead-acid) from towers, UPS rooms	BTS sites, shelters, switch rooms, office UPS rooms	Manage under EMS with licensed hazardous-waste partners; extend life through preventive maintenance; pursue circular handling via vendor take-back where available.
Cooling system servicing (refrigerants, filters)	Data centres, technical rooms	Leak-prevention and maintenance under EMS; shift to higher-efficiency cooling where feasible; recover / reclaim refrigerants via certified vendors.
Legacy copper and passive infra decommissioning	Legacy exchanges, street cabinets, rooftops / towers	Recover and monetise metals; segregate streams; certified recycling under EMS; documented chain-of-custody (EMS governance).
SIM cards, top-up cards and POS materials	Retail outlets, partner dealers	Accelerate eSIM adoption to avoid plastic SIMs and packaging; digitalise top-ups; scheduled take-back of expired POS materials for recycling.
Packaging from devices and network equipment	Warehouses, retail, installation sites	Supplier packaging take-back; standardise returnable totes / pallets; specify recycled / mono-material packaging; staff training via EMS (EMS and supplier engagement).
Office and canteen waste (paper, organics, plastics)	HQ and regional offices	Paperless workflows; centralised segregation; supplier controls via EMS; continuous employee engagement under sustainability programme.

Natural Capital

Waste Generated

GRI 14 306-3

Initiatives implemented to reduce paper and cardboard and plastic and polythene waste were effective in reducing the waste generated as set out below. There was a marginal increase in the e-waste generated despite the initiatives implemented. There was a significant increase in the quantity of rigifoam generated which was largely attributable to increased packing materials received as a result of upgrades to infrastructure.

Waste Generated	Unit of Measure	2025	2024	YOY Change (%)
Paper and Cardboard	kg	24,999.96	27,097.93	-7.747%
Rigifoam	kg	87.8	3.7	2,372.97%
Plastic and Polythene	kg	7,097.29	7,489.96	-5.24%
e-waste generated	Tonnes	668	624	7.05%

Waste Diverted from Disposal

GRI 15 306-4

GSMA 3 ENV-04

Waste Diverted from Disposal	Unit of Measure	2025	2024	YOY Change (%)
Paper recycled	%	10.57	20.14	-9.57%
Materials recovered through take back	Tonnes	3.74	5.3	
Recovered materials that were recycled	%	100	100	0
Hazardous waste diverted from disposal on site	Tonnes	668	624	7.05%
Non-Hazardous waste diverted from disposal on site	Tonnes	37.93	36.81	3.04%
Percentage of internal electronic waste reused or recycled, by weight	%	100	100	0

The initiatives implemented during the year to manage waste proved effective as we were able to reduce paper waste whilst achieving 100% recycling of e-waste and recovered materials.

GSMA 4 ENV-04

	2025	2024	YOY Change (%)
Circularity of Network Equipment			
Percentage of network equipment decommissioned in the reporting period that was repaired, reused or sold to another company	N/A	N/A	All of the network equipment of Dialog that is decommissioned is 100% recycled and not sent to landfill. However, it is not reused by repairing or any other means.
Percentage of network equipment installed in the reporting period that was reused or refurbished, as a share of total network equipment installed in the reporting period	N/A	N/A	

	2025	2024	YOY Change (%)
Circularity of Mobile Devices			
Used mobile devices collected through operator take-back schemes in the reporting period as a percentage of new mobile devices distributed directly to customers in the reporting period	N/A	N/A	Dialog does not have any take-back programmes for mobile phones. However, there are plans underway to meet this KPI in a few years.
Percentage of used mobile devices collected through operator take-back schemes in the reporting period that were repaired, reused or recycled i.e. diverted from landfill or incineration	N/A	N/A	
Percentage of refurbished, repaired or used mobile devices distributed to customers for reuse in the reporting period, as a share of all mobile devices distributed directly to customers in the reporting period	N/A	N/A	
Circularity of Customer Premises Equipment			
Used CPE collected through operator take-back schemes in the reporting period as a percentage of CPE distributed to customers in the reporting period	38.5 Tonnes	68.2 Tonnes	-77%
Percentage of used CPE collected through operator take-back schemes in the reporting period that were repaired, reused or recycled i.e. diverted from landfill or incineration	100% recycled	100% recycled	0
Percentage of refurbished, repaired or used CPE distributed to customers in the reporting period as a share of all CPE distributed to customers in the reporting period	N/A	N/A	Dialog does not distribute used or repaired CPE to customers; measures are in place to look into this initiative in the long run.

Waste Directed to Disposal

GRI 306-5

Waste Directed to Disposal	Unit of Measure	2025	2024	YOY Change (%)
Total waste directed to disposal	Tonnes	53.38	85.39	-36.75%

Analysis of Non-Hazardous Waste in MT

Waste Directed to Disposal	2025			2024 Total	YOY Change (%)
	On Site	Off-site	Total		
Total non-hazardous waste directed to disposal	53.38	N/A	N/A	85.39 (on-site)	-36.75%

Environmental Conservation and Rejuvenation

e-Kunu

The e-Kunu initiative represents Dialog's effort to advance an inclusive and equitable circular economy, addressing the growing urgency of the

climate crisis. It promotes a sustainable model where resources are responsibly collected, transformed, and reintegrated into the production cycle, rather than discarded as waste.

Building on the success of Dialog's National "mWaste" programme

(launched in 2008 and subsequently aligned with the National e-waste programme in 2014), e-Kunu expands the scope of mobile waste management to cover a wider range of electronic items, including mobile phones, laptops, chargers, batteries, routers, and printer toners.

Natural Capital

The initiative enables the responsible collection and recycling of electronic waste through Dialog Customer Experience Centres island-wide, supported by an end-to-end waste management and recycling process aligned with applicable national regulations and international best practices, including the Basel Convention.

Aligned with Dialog’s commitment to responsible corporate citizenship, e-Kunu also drives awareness on the hazards of improper e-waste disposal, encouraging responsible recycling behaviours in line with the ISO 14001 Environmental Management System (EMS).

Demonstrating its impact, the initiative has been scaled across all Dialog Customer Experience Centres and key corporate offices, providing accessible e-waste disposal touchpoints for employees, customers, and the public. During the year, the programme diverted 3.74 MT of electronic waste from landfill, channelled for recycling through licensed and certified waste management partners.

Biodiversity

TNFD Indicator	Metric	Baseline Performance (2025)
Land Use and Biodiversity	Sites in High Biodiversity Areas (KBAs)	Approx. 25 – 30 active sites
Water Dependency	Data Centre Water Use	7,357 m ³
Pollutants and Waste	Internal E-waste Recycled	668 Tonnes
Pollutants and Waste	External E-waste Recycled	3.74 Tonnes
Marine Use and Biodiversity	Subsea Cable Proximity	Baseline assessment underway

Way Forward

Dialog remains committed to achieving its Net Zero ambition by 2050, supported by a Board-approved roadmap focused on advancing energy efficiency, expanding renewable energy adoption, and strengthening environmental stewardship across operations.

Emission Reduction Initiatives

Short-Term – 2026	Medium-Term	Long-Term
<ul style="list-style-type: none"> Indoor-to-outdoor conversions across 243 sites 	<ul style="list-style-type: none"> Indoor-to-outdoor conversions across 763 sites 	<ul style="list-style-type: none"> Ground-mounted solar plants (subject to regulatory clearance for power wheeling)
<ul style="list-style-type: none"> New solar installations across 200 sites 	<ul style="list-style-type: none"> New solar installations across 200 sites 	
<ul style="list-style-type: none"> Data centre consolidation 	<ul style="list-style-type: none"> Solar capacity enhancement initiatives 	
<ul style="list-style-type: none"> Solar capacity enhancement at the Piliyandala Data Centre 	<ul style="list-style-type: none"> Solar energy storage through battery solutions 	

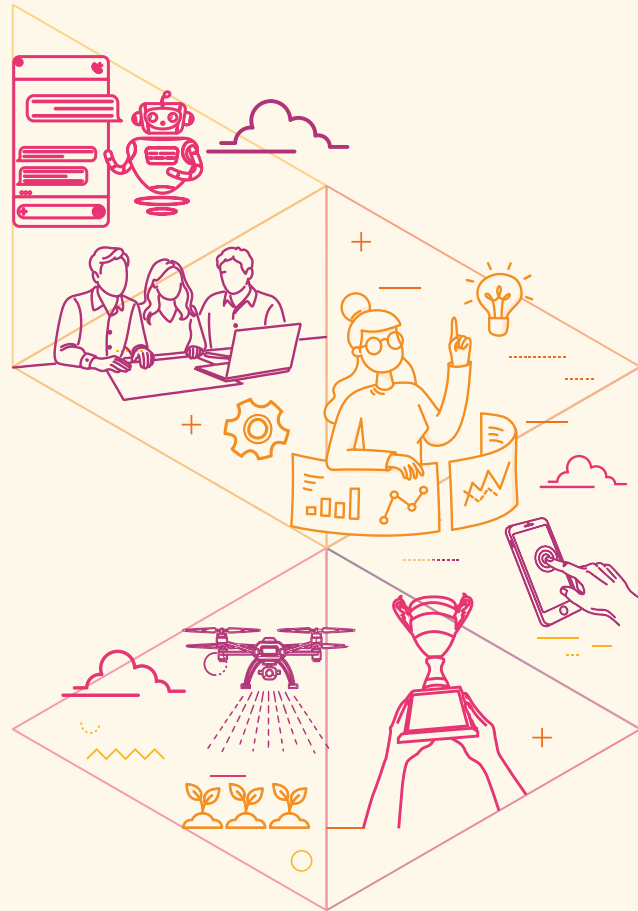
Beyond Emissions: Environmental Stewardship

Short-Term – 2026	Medium-Term	Long-Term
<ul style="list-style-type: none"> Initiate phased adoption of TNFD, prioritising the ‘Locate’ (L) phase of the LEAP framework 	<ul style="list-style-type: none"> Deploy technology-driven reforestation and biodiversity restoration initiatives 	<ul style="list-style-type: none"> Preservation of high-priority biodiversity hotspots to ensure long-term ecological resilience
<ul style="list-style-type: none"> Expand national e-waste recovery across retail and customer touchpoints 	<ul style="list-style-type: none"> Drive R&D in environmental pollution mitigation 	
	<ul style="list-style-type: none"> Strengthen waste-at-source practices across upstream and downstream value chains 	

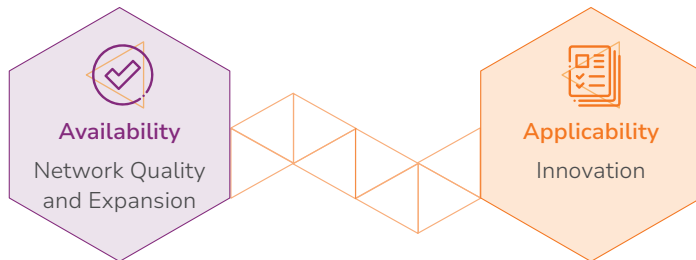


Intellectual Capital

Innovation, knowledge and digital capabilities are central to how we create value in a rapidly evolving landscape. Our intellectual capital, encompassing both technological assets and organisational expertise, enables us to develop solutions that are meaningful and impactful. By leveraging data, insights and emerging technologies, we continue to enhance our offerings and expand our relevance across diverse segments of society. We remain focused on safeguarding and strengthening these capabilities, ensuring they continue to support sustainable growth and long-term value creation.



Our Material Topics

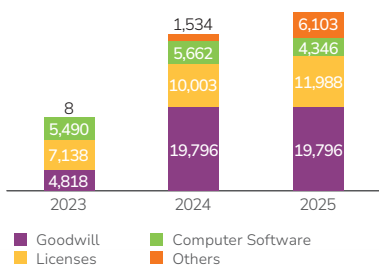


Overview of Intellectual Capital

Intellectual Capital comprises Intangible Assets valued at Rs. 42 billion and Organisational Capital such as tacit knowledge, systems, procedures, protocols and also includes the brand which is valued but not reflected in the balance sheet.

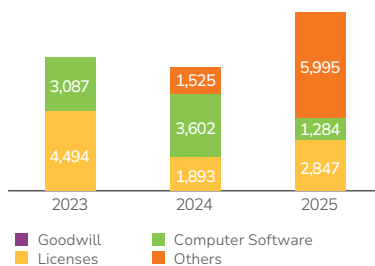
Intangible Assets

Rs. Bn

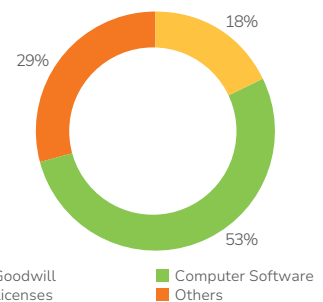


Investments in Intangible Assets

Rs. Bn






Amortisation of Intangibles



Intellectual Capital

Organisational Capital (Non-Monetised Intellectual Capital)

 <p>Brand Equity</p> <ul style="list-style-type: none"> Brand Value Rs. 35.4 Bn (Source: Brand Finance Sri Lanka 100 2025) Voted Service Brand of the Year for the 4th time and Telecommunication Brand of the Year for the 14th consecutive year at SLIM-KANTAR People's Awards 2025 Ranked Most Loved Service Brand and Most Loved Telecommunication Brand in LMD Brands Annual 2025 	 <p>Technology Platforms and Processes</p> <ul style="list-style-type: none"> Launched over 15 new products and services in 2025 Launched Dialog AI – Sri Lanka's First Trilingual AI Portal, and Govi Mithuru AI – Sri Lanka's First AI-Powered Agriculture Advisory Platform 	 <p>Industry and Tacit Knowledge</p> <ul style="list-style-type: none"> 92% participation in mentoring and coaching programmes, reinforcing leadership depth and knowledge continuity 304 specialists across technical and digital domains, strengthening critical capability areas
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Managing Intellectual Capital

GRI 12 3.3

Dialog has a process in place for managing the Group's investments in intangible assets including product development as set out alongside. The process ensures that due attention is given to current and expected outcomes of investments following the same process as for investments in property, plant and equipment.

Department / Forum	Action Taken
User Department Fills Investment Committee Request	Validate business case with Corporate Planning and obtain clearances from Supply Chain Management and Corporate Finance.
Quarterly Capex Execution and Return Analysis	Internal management assessment on quarterly capex submission and review of Return Analysis of capex spent including Site Profitability, Transport and Core network returns. Committee comprises Group Chief Executive, Group Chief Operating Officer, Group Chief Technology Officer and Group Chief Information Officer
OPCo Board Working Committee	Review of quarterly capex ask and endorsement
Board Investment Committee	Review and approval by Investment Committee and circulation of minutes to Board
Board	Review and approval of quarterly capex ask

Tacit and Industry Knowledge

Dialog recognises tacit knowledge, industry expertise, and leadership capability as critical components of its non-monetised intellectual capital. In 2025, the Group continued to strengthen its ability to capture, transfer, and scale knowledge, while deepening specialist capabilities and ensuring continuity of institutional expertise.

Knowledge Sharing and Transfer

Dialog has institutionalised a range of mechanisms to embed knowledge across the organisation, reducing person-dependency and enabling system-enabled knowledge continuity. These include structured forums such as leadership lounges, functional learning sessions, communities of practice, and curated knowledge-sharing platforms integrated into leadership and talent programmes, including the Corporate Management Development Programme (CMDP) and People Leader Development Programme (PLDP).

Knowledge transfer is further reinforced through cross-functional exposure and stretch assignments under the 70:20:10 learning philosophy, including long- and short-term assignments (LTA / STA) within Dialog and across the Axiata Group, alongside formal mentoring and coaching interventions such as executive coaching and leadership mentoring.

In 2025, Dialog conducted 79 knowledge-sharing sessions and forums, achieved a 92% participation rate in mentoring and coaching

programmes, and facilitated participation in 14 industry forums and events, including 2 overseas engagements.

Specialist Capability and Depth of Expertise

Dialog continues to strengthen the depth and diversity of its technical, digital, and industry expertise through a structured Learning and Talent Development strategy aligned to business priorities. This encompasses leadership, digital, technical, and functional capability-building across all employee segments, supporting the Group’s evolution as a TechCo and its AI-native ambitions.

A key focus area during the year was the uplift of digital and AI capabilities through tiered AI fluency programmes, role-specific digital skills development, and the enterprise-wide adoption of AI-enabled learning tools across the organisation.

As at 2025, 304 employees were engaged in specialised technical and digital domains, while all employees remained qualified in their respective roles in line with the defined capability framework.

Retention, Continuity and External Benchmarking

Dialog places strong emphasis on preserving institutional knowledge and ensuring leadership continuity through robust talent governance and succession planning. Critical and leadership roles are systematically

mapped, reviewed, and developed through structured assessment processes and Talent Council oversight.

Internal talent mobility and leadership pipeline development continue to enable a significant proportion of leadership and critical roles to be filled internally, supporting continuity of expertise while reducing reliance on external hiring.

The Group further strengthens its intellectual capital through active participation in industry forums, leadership conferences, and external learning partnerships, providing exposure to global best practices and emerging industry trends. Engagement with external experts, assessment partners, and learning institutions supports benchmarking of leadership capability, technical expertise, and succession readiness against market standards, while ensuring continuous refresh of learning curricula in line with evolving digital and AI dynamics.

AI Capability Development

Embedding AI capabilities across the organisation was a key strategic priority in 2025. Dialog delivered AI training across areas such as Copilot, Prompt Engineering, and Power BI, enabling employees to apply AI tools effectively in their day-to-day roles.

In parallel, AI Fluency awareness sessions were conducted to strengthen organisation-wide AI literacy, alongside Bronze-level certification programmes to formally validate core AI competencies.

Strategy

Strategic Priorities	Key Achievements in 2025	Short, Medium and Long-Term Plans
<p>Commercial launch of the 5G Network</p>	<p>Successfully launched commercial 5G services across key urban locations with expanded site footprint, enabling enhanced mobile broadband and Fixed Wireless Access (FWA) capabilities. Strengthened positioning as Sri Lanka’s leading connectivity provider.</p>	<p>Short-Term: Expand 5G coverage in high-density urban areas.</p> <p>Medium-Term: Scale enterprise use cases (IoT, smart solutions).</p> <p>Long-Term: Nationwide 5G rollout aligned with spectrum availability and demand.</p>

Intellectual Capital

Strategic Priorities	Key Achievements in 2025	Short, Medium and Long-Term Plans
Enhancement of Network Quality and Coverage	Continued investments in 4G network expansion and fibre backhaul, improving network resilience, coverage, and data speeds across urban and rural regions.	<p>Short-Term: Optimise network capacity to meet rising data demand.</p> <p>Medium-Term: Densify network and enhance rural coverage.</p> <p>Long-Term: Transition towards fully digital and automated networks.</p>
Growth in Mobile Data and Digital Services	Sustained growth in data consumption driven by video, gaming, and digital platforms. Expanded digital ecosystem including fintech, entertainment, and enterprise solutions.	<p>Short-Term: Enhance digital product offerings and customer experience.</p> <p>Medium-Term: Drive adoption of bundled services (connectivity + content + fintech).</p> <p>Long-Term: Position as a leading digital services provider beyond connectivity.</p>
Customer Experience and Digitalisation	Strengthened digital engagement through self-service platforms, AI-driven customer support, and improved service delivery channels.	<p>Short-Term: Enhance digital touchpoints and automation.</p> <p>Medium-Term: Leverage AI for personalisation and predictive service.</p> <p>Long-Term: Deliver fully digital, seamless customer journeys.</p>
Enterprise and ICT Solutions Expansion	Expanded enterprise portfolio including cloud, IoT, and managed services, supporting business digitalisation across sectors.	<p>Short-Term: Strengthen enterprise customer base.</p> <p>Medium-Term: Develop industry-specific solutions (e.g., logistics, healthcare).</p> <p>Long-Term: Become a leading ICT solutions provider in Sri Lanka.</p>
Regulatory Compliance and Industry Leadership	Adapted to evolving regulatory landscape including telecom reforms, competition rules, and data protection requirements, while maintaining industry leadership.	<p>Short-Term: Ensure full compliance with new regulations.</p> <p>Medium-Term: Support implementation of number portability and data governance frameworks.</p> <p>Long-Term: Shape policy dialogue and industry standards.</p>
Cost Optimisation and Operational Efficiency	Continued focus on cost management through process optimisation, infrastructure sharing, and digital transformation initiatives.	<p>Short-Term: Improve cost efficiencies amid inflationary pressures.</p> <p>Medium-Term: Increase automation and reduce operational costs.</p> <p>Long-Term: Build a lean, technology-driven operating model.</p>
Sustainability and Climate Resilience	Strengthened focus on energy efficiency, renewable energy adoption, and climate-resilient network infrastructure.	<p>Short-Term: Improve energy efficiency across network operations.</p> <p>Medium-Term: Increase use of renewable energy solutions.</p> <p>Long-Term: Achieve sustainable and climate-resilient operations.</p>

Availability – Network Quality and Expansion

Operating Licenses

Dialog has the following operating licenses issued by the Telecommunications Regulatory Commission of Sri Lanka, the Central Bank of Sri Lanka and other institutions.

	Licenses issued by Telecommunications Regulatory Commission of Sri Lanka	Date of Expiry	Remaining Period
Dialog Axiata PLC	Licence to operate a Digital Mobile Cellular Communications Service	27.09.2033	~8 years
	Licence to provide International Telecommunications Services	27.02.2033	~8 years
Dialog Broadband Networks	Licence to provide Domestic and International Fixed Telecommunication Services in Sri Lanka	09.11.2035	~10 Years
	Licence to provide Internet Services	04.12.2028	~3 years
	Licence to provide an Integrated Transmission Network of Digital Microwave Radio Links and Optical Fibre Cables	07.05.2035	~10 years
Dialog Television	Licence to provide Direct to Home Satellite TV Broadcasting and Sound Broadcasting Services	31.01.2027	~2 years

Rolling out the 5G network necessitated securing significant spectrum holdings, 100 MHz in the 3500 MHz band and 200 MHz in the 27 GHz band. The acquisition was done through a transparent auction by the Telecommunications Regulatory Commission of Sri Lanka, strengthening its network capacity. The dual-spectrum strategy allows Dialog to address both broad mobile coverage and high-capacity, gigabit-speed demands, ensuring readiness for future consumer and business needs.

	Issued Under / By	Licence / Approval
Dialog Axiata PLC	Central Bank of Sri Lanka	Service Provider of Payment Cards and / or Mobile Payment Systems
Dialog Finance PLC	Finance Companies Act, No. 78 of 1988 and Finance Business Act, No. 42 of 2011	Licence to carry on a Finance Business
	Finance Leasing Act, No. 56 of 2000	Licence for Registered Finance Leasing Establishments
	Securities and Exchange Commission	Certificate to function as a margin provider
	Central Bank of Sri Lanka	Licence to issue only debit cards as an Issuer of Payment Cards <ul style="list-style-type: none"> Updated on 28 February 2023 to permit Dialog Finance PLC to function as a Financial Acquirer of Payment Cards
	Central Bank of Sri Lanka	Licence to issue Credit Cards as an Issuer of Payment Cards (effective 08 April 2024)

Rs. **10** Bn

Net Book Value of Licenses

Rs. **2.5** Bn

Investment in Licenses

Rs. **1.57** Bn

Amortisation

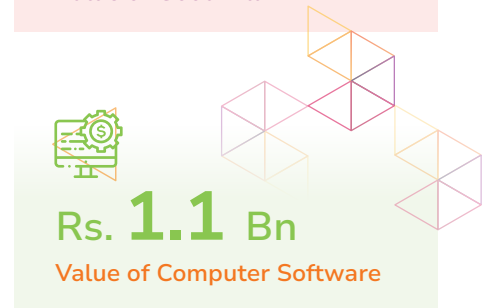
Intellectual Capital

Goodwill

Goodwill mainly comprises of goodwill related to acquisition of subsidiaries which is tested for impairment annually or more frequently and adjusted for impairment accordingly. 35% of the carrying amount of goodwill is related to the acquisition of Airtel which expanded the Group's fixed and broadband networks and continues to deliver revenue growth.

Computer Software




Computer software mainly comprises internally developed and acquired software assets that support the Group's network operations, billing platforms, customer management systems, and critical enterprise applications. These software assets underpin the Group's digital capabilities and operational backbone, enabling service delivery, scalability, and efficiency across business segments. Computer software is amortised over its estimated useful life and reviewed for impairment when there are indicators that the carrying amount may not be recoverable.



Applicability – Innovation

Technology Platforms and processes

In 2025, our commitment to innovation remained central to enhancing people's lives and advancing national progress. We continue to identify emerging opportunities and introduce pioneering technologies that are not only simple and affordable but also highly relevant to the evolving needs of our customers. Innovation is embedded across every facet of our organisation, driving our vision and shaping the way we create solutions that address societal challenges. This year, we have strengthened our focus on leveraging technology to improve access to education, healthcare, agriculture, and digital services for communities across Sri Lanka. We remain steadfast in creating sustainable business models that ensure inclusive access to telecommunication services for all, including rural populations, low-income groups, and individuals with disabilities. Overcoming barriers related to service availability, affordability, applicability, and affinity continues to guide our strategy. By harnessing advanced technologies, innovative service and business models, and ongoing investments, we reaffirm our philosophy of inclusion as the foundation for delivering meaningful impact through innovation.

 <p>Mobile</p>	<ul style="list-style-type: none"> Over 1.5 million subscribers connected to Sri Lanka's largest 5G network, as the first operator to commercially launch 5G with 220 live sites nationwide. Introduced Sri Lanka's most affordable 5G smartphone, lowering barriers to next-generation connectivity and advancing the nation's digital transformation. Launch of upgraded Power Plans, delivering enhanced value with premium benefits including priority network access, exclusive device offers and access to platforms such as Lionsgate Play and Dialog Play. Subscribers also benefit from greater flexibility and convenience through data rollover, preserving unused data, and data sharing.
 <p>Home</p>	<ul style="list-style-type: none"> Introduction of Sri Lanka's first truly unlimited, speed-based fibre broadband packages with no Fair Usage Policy restrictions, delivering uninterrupted high-speed connectivity, with consistent, unthrottled performance with no data caps or slowdowns, redefining home broadband.
 <p>DTV</p>	<ul style="list-style-type: none"> Dialog Television introduced Sony LIV to Sri Lanka, offering customers access to over 50,000 hours of premium global content at an affordable local price, enhancing digital entertainment experiences. Launch of the Dialog Play Smart TV App, offering device-free HD streaming of Live TV and on-demand content in multiple languages. Dialog Television partnered with Moonbug Entertainment to launch Sri Lanka's first 24/7 Moonbug Channel, bringing hit children's shows like CoComelon and Blippi exclusively to subscribers.



FinTech

- ▶ Genie Business, in partnership with Kangaroo Cabs, launched Sri Lanka's first Tap to Pay taxi service, allowing passengers to pay via Visa or Mastercard on drivers' NFC-enabled phones, with fares automatically retrieved for a seamless, cash-free experience.
- ▶ Touch Card by Dialog partnered with chargeNET to enable corporate EV charging at over 100 stations nationwide, marking Sri Lanka's first fuel management solution supporting both traditional fuelling and electric vehicles.
- ▶ Dialog Finance PLC, through Genie Business, partnered with Softlogic Life Insurance to integrate a best-in-class Internet Payment Gateway, enabling clients to seamlessly pay premiums online via Visa, Mastercard, or Amex. The solution offers secure payment links, real-time notifications, and a flexible API suite, providing businesses with convenient, reliable, and scalable digital payment capabilities.



HealthTech

- ▶ Doc990 launched the OPD Wallet in partnership with Allianz Insurance Lanka, allowing policyholders to book doctor appointments and settle consultation fees directly through their OPD benefits for a faster, hassle-free healthcare experience.
- ▶ The same partnership further saw the enhancement of medical service access for policyholders, offering discounted service fees and health scans via the Doc990 platform. The collaboration simplifies healthcare access, promotes continuous health monitoring, and plans to expand with new features for an improved customer experience.
- ▶ Doc990 further partnered with Nawaloka Care Labs to enable patients to schedule doctor appointments seamlessly while visiting the lab, enhancing convenience and access to healthcare.
- ▶ Digital Health, a subsidiary of Dialog Axiata PLC, launched Pharma Connect, a next-generation pharmacy management system designed to streamline operations, boost efficiency, and enhance customer service across Sri Lanka. With over 20 advanced integrated modules, Pharma Connect empowers pharmacies to meet the demands of modern healthcare and transform the pharmacy landscape.
- ▶ Doc990 partnered with Healthguard Pharmacy to allow customers to order prescription and OTC medicines via the Doc990 app or website, with home delivery or in-store pickup. This collaboration ensures convenient, seamless access to medications, reducing the need for in-person pharmacy visits.



Digital Platforms

- ▶ Launch of Dialog AI, Sri Lanka's first trilingual generative AI platform, offering data-free, intelligent assistance in Sinhala, Tamil, and English for education, work, and everyday challenges.
- ▶ Enhancement of the Govi Mithuru platform with AI-powered features, including a Trilingual Chat and Voice Bot, image-based pest identification, and a Bilingual AI Voice Assistant via 616, delivering expert agriculture advice in Sinhala, Tamil, and English.
- ▶ The launch of Sri Lanka's first trilingual Conversational AI Assistant for the Foreign Employment Division, streamlining public service operations by Headstart, in collaboration with the ILO. The initiative leverages AI to enhance productivity and drive digital transformation across government agencies.
- ▶ Introduction of Sri Lanka's first QR reload system, allowing customers to top up Mobile, Home Broadband, or Dialog Television accounts instantly by scanning QR codes at retail outlets. The solution simplifies transactions, eliminates queues, and enhances convenience for both customers and retailers.
- ▶ Dialog and the Dialog-University of Moratuwa Research Lab launched SinhalaVITS, Sri Lanka's first open-source Sinhala Text-to-Speech model, providing high-quality, natural-sounding voices for developers, researchers, and students. Freely available, the initiative empowers innovation in voice technology across the country.

Intellectual Capital



Other

- Introduction of the Suraksha School Van Location Tracker, enhancing student safety with real-time monitoring, alerts and shared access for parents. Affordable and user-friendly, the solution improves transparency and operational efficiency for school transport and families.
- Launch of Sri Lanka's first 5G-enabled autonomous water-surface cleaning robot, enabling real-time environmental monitoring and showcasing the power of 5G, AI and robotics in driving sustainable innovation.

Our Brand

The Dialog brand is an established brand in the country with a brand value of Rs. 35.4 billion as per the latest brand valuation carried out by Brand Finance, the world's leading independent brand valuation consultancy. The brand continues to grow from strength to strength by staying true to its brand promise 'The Future.Today.' and delivering state-of-the-art technology and connectivity that is inclusive, affordable, and accessible to all, while propelling the country's transformation into a thriving digital nation.

We continued to strengthen our brand presence during the year by actively supporting Sri Lanka's sporting talent, national pride, and cultural heritage. Dialog remained the proud sponsor of the National Cricket, Volleyball, Netball, and esports teams, as well

as the Sri Lanka Golf Open, and continued to champion Paralympic sports, including the National Para Games, the Sri Lankan contingent to the World Paralympic Games, and the Jaffna Paralympic Talent Identification Programme to prepare athletes for the 2026 Asian Games. At the grassroots level, we empowered school and community sports under the banner of 'Powering the Champions of Tomorrow', supporting key events such as the Big Match Season, President's Gold Cup Volleyball, National Junior and Senior Netball tournaments, School Rugby, and Play for a Cause, providing cricket equipment to deserving schools across Sri Lanka.

In addition to sports, Dialog elevated its brand through cultural and experiential initiatives. We hosted Sri Lanka's first New Year countdown drone show at Galle Face Green, engaging over 12 million Sri Lankans and 150,000 live

attendees with a spectacular 400-drone display. Dialog also reaffirmed its commitment to cultural preservation by sponsoring the Sri Dalada Perahera for the 19th consecutive year and supporting other heritage initiatives, including temple restorations and digital platforms for Amarapura Maha Nikaya Temples. Furthermore, Dialog celebrated Poson with 'Dialog Aloka Pooja', illuminating the historic Ruwanweli Maha Seya in Anuradhapura with ten thousand lamps, bringing blessings and inspiration to Buddhists across the island.

By associating the Dialog brand with these diverse initiatives in sports, culture, and innovative experiences, we have further strengthened our brand proposition and presence, reinforcing our commitment to shaping a connected, inclusive, and forward-looking Sri Lanka.

Way Forward

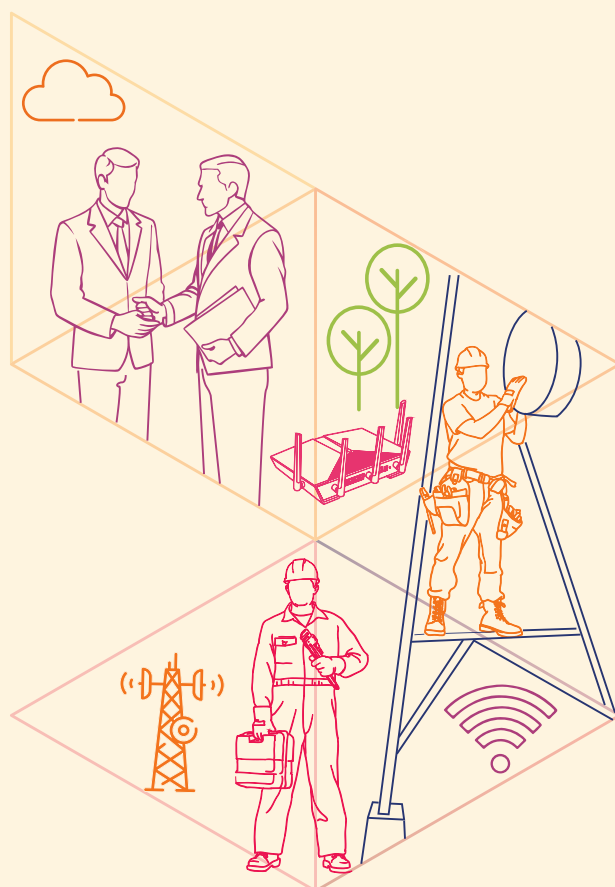
As digital and technological landscapes continue to evolve, Dialog will continue to strengthen its intellectual capital through innovation, AI-driven capabilities, digital platforms, and strategic partnerships. This will support the development of scalable solutions, enhance customer and operational capabilities, and reinforce the Group's long-term evolution as a knowledge-driven digital services provider.

Short-Term	Focus will be on strengthening internal intellectual capital through the development of proprietary digital platforms, analytics capabilities, and AI-driven solutions to enhance customer experience and operational efficiency. Efforts will also be directed towards improving data governance frameworks and leveraging existing technology partnerships to accelerate innovation.
Medium-Term	The Company will continue to expand its intellectual property base through the development of in-house capabilities in areas such as artificial intelligence, data analytics, cybersecurity, and digital financial services. Strategic collaborations and partnerships will be leveraged to co-create solutions, while enhancing the organisation's ability to monetise digital assets and platforms.
Long-Term	Dialog will progressively evolve into a knowledge-driven digital services provider, focusing on building scalable intellectual property across platforms, ecosystems, and advanced technologies. Investments will be directed towards innovation in areas such as AI, IoT, cloud, and next-generation digital services, enabling sustainable competitive advantage and long-term value creation.

Catalysing Recovery through Resilient Connectivity

In response to the impact of Cyclone Ditwah, Dialog reaffirmed its role as a trusted partner in Sri Lanka's progress, committing Rs. 420 million to support national recovery efforts. Alongside humanitarian support and rebuilding initiatives, our teams acted swiftly to restore vital connectivity, completing our fastest network restoration to date across affected regions.

Through continued investment in resilient infrastructure and expanded national connectivity, we ensure that communication remains dependable in times of crisis, catalysing recovery and reinforcing the digital foundations that support communities as they rebuild.



Governance and Risk Management

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Corporate Governance Report

Strong corporate governance remains fundamental to how we create sustainable long-term value, uphold stakeholder trust, and guide responsible decision-making across the Group. Through transparent oversight, ethical business conduct, and effective risk management, we continue to strengthen resilience and support sustainable growth in an evolving operating environment.

Introduction

The Board of Directors (“Board”) remains committed to maintaining robust corporate governance standards that support the Company’s strategic objectives, protect shareholder interests and promote sustainable, long-term value creation. In addition to complying with the Listing Rules of the Colombo Stock Exchange (“CSE”) and all other applicable legal and regulatory requirements, the Company applies Dialog’s Code of Corporate Governance (the “Code”), an internal governance framework benchmarked against internationally recognised good-governance practices.

The Code is implemented across the Group and guides Board oversight, ethical business conduct, stakeholder engagement and the establishment and operation of effective internal control and accountability mechanisms. The Board confirms that, during the financial year 2025, the Company complied with the Code, Section 9 of the CSE Listing Rules on Corporate Governance and the requirements of the Companies Act No. 7 of 2007. This report summarises the Group’s corporate governance framework and the principal governance practices applied during the year under review.

1. The Board

The business and affairs of the Company and its subsidiaries are directed and managed under the supervision of the Board. The Board sets the strategic direction, establishes an appropriate governance framework and oversees management to ensure that the Group operates in a responsible, transparent and sustainable manner. In discharging its fiduciary duties, the Board, inter alia:

- provides entrepreneurial leadership to the Group;
- sets, reviews and approves corporate strategy, key performance objectives and material policies;
- reviews and approves budgets, capital expenditure, funding and other significant commitments within the authority reserved for the Board;
- oversees the integrity of financial and non-financial reporting and the appropriateness of accounting policies and reporting practices;
- monitors management performance against agreed objectives and ensures that adequate financial and human resources are available to achieve the Group’s goals; and
- oversees the effectiveness of risk management, compliance and internal controls, including ethical standards and culture.

The composition of the Board of Directors as at 31 December 2025, was as follows:

Name of Director	Date of Appointment to the Board	Position
Mr. David Nai Pek Lau	13 May 2020	Chairman / Non-Independent, Non-Executive Director
Mr. Supun Weerasinghe	01 January 2017	Group Chief Executive Officer/ Non-Independent, Executive Director
Mr. Willem Timmermans	10 May 2017	Independent, Non-Executive Director

Name of Director	Date of Appointment to the Board	Position
Dr. Sharmini Coorey	15 October 2022	Independent, Non-Executive Director
Ms. Komathi Balakrishnan	07 July 2023	Non-Independent, Non-Executive Director
Mr. Thomas Hundt	17 February 2024	Non-Independent, Non-Executive Director
Mr. Visvanathamorthy Govindasamy	01 October 2024	Independent, Non-Executive Director
Mr. Randeep Singh Sekhon	08 November 2024	Non-Independent, Non-Executive Director
Mr. Vivek Sood	16 January 2025	Non-Independent, Non-Executive Director
Mr. Chari TVT (Alternate Director to Mr. Willem Lucas Timmermans)	01 January 2025	Independent, Non-Executive Director

Table 1 – Composition of the Board as at 31 December 2025

Notes:

- Dr. Hans Wijayasuriya, Non-Independent, Non-Executive Director resigned from the Board with effect from 15 January 2025.
- Mr. Vivek Sood, Non-Independent, Non-Executive Director was appointed to the Board as a Non-Independent, Non-Executive Director with effect from 16 January 2025.
- Mr. Chari TVT was appointed to the Board as an Alternate Director to Mr. Willem Lucas Timmermans, Independent, Non-Executive Director, with effect from 01 January 2025 and ceased to be an Alternate Director with effect from 31 December 2025.

The profiles of the current Directors are given on pages 28 to 33 of this Report.

Composition and Balance of the Board

As at 31 December 2025, the Board comprised nine (09) Directors, of whom eight (08) were Non-Executive Directors and one (01) was an Executive Director, being the Group Chief Executive Officer (“GCEO”). The Board included three (03) Independent Non-Executive Directors and six (06) Non-Independent Non-Executive Directors. The Board is satisfied that the composition of the Board, including the balance between Executive and Non-Executive Directors and between Independent and Non-Independent Directors, is in compliance with the corporate governance requirements of the CSE Listing Rules.

The Non-Executive Directors collectively bring significant breadth and depth of experience gained from leadership roles across a range of industries and geographies. As at 31 December 2025, the Board comprised five qualified accountants, two engineers and one economist, collectively providing the requisite expertise and strong financial literacy to effectively support strategic leadership, financial reporting and oversight.

The Board considers that the current composition, skill set and expertise are appropriate to meet the Group’s present needs and will continue to review the Board’s composition and the mix of competencies on an ongoing basis to ensure alignment with the Group’s strategy, risk profile and operating environment.

During the year under review, all Directors submitted the declarations required under the CSE Listing Rules confirming that they met the applicable Fit and Proper Assessment Criteria. In accordance with the Company’s Fit and Proper Policy, assessments of fitness and propriety of individuals nominated for appointment as Directors and members of senior management are conducted prior to appointment, as applicable.

The Composition and Balance of the Board as at 31 December 2025

Table 2 – The Composition and Balance of the Board as at 31 December 2025

Notes:

- ED Executive Directors
- NED Non-Executive Directors
- NID Non-Independent Directors
- ID Independent Directors

Corporate Governance Report

Independent Directors

The Board independence determinations are made annually by the Board based on the declarations submitted by each Independent Director and an assessment against the criteria specified in the CSE Listing Rules. Accordingly, the Board determined that Mr. Willem Timmermans, Mr. Visvanathamoorthy Govindasamy and Dr. Sharmini Coorey were Independent Non-Executive Directors during the year under review. These Directors are independent of management and free of any business or other relationship that could materially interfere with the exercise of their independent judgment.

The other five (05) Non-Executive Directors, namely Mr. David Nai Pek Lau, Mr. Thomas Hundt, Mr. Vivek Sood, Mr. Randeep Singh Sekhon and Ms. Komathi Balakrishnan were considered Non-Independent as they are nominees of Axiata Group Berhad and Bharti Airtel Limited, the Company's major shareholders.

Board Diversity and Inclusion

The Board recognises that diversity and inclusion enhance Board effectiveness by supporting robust debate, balanced decision-making and effective oversight. The Board's composition reflects diversity in nationality, professional background, industry expertise and international experience. The Group continues to consider diversity, including gender, skills and experience when evaluating Board composition and succession.

Division of Responsibilities

The roles of the Chairman and the GCEO are separate, with clearly defined responsibilities that promote an appropriate balance of authority and accountability. This separation supports effective Board leadership, constructive challenge and independent oversight, while ensuring efficient executive management of the Group's operations.

The Chairman, Mr. David Nai Pek Lau, provides leadership to the Board, ensures the effective organisation and conduct of Board business and promotes open dialogue and constructive engagement between Non-Executive and Executive Directors.

The GCEO, Mr. Supun Weerasinghe, is responsible for the day-to-day management of the Group and for implementing strategies and policies approved by the Board. The GCEO develops and recommends to the Board business plans and budgets that support the Group's long-term strategy aimed at creating shareholder value.

Board Meetings and Attendance

The Board meetings are scheduled in advance to enable Directors to plan accordingly. The annual Board calendar (including Board and Board Committee meetings) is prepared with the consensus of Directors and is tabled at a Board meeting during the fourth quarter of each preceding year.

To support effective and efficient deliberations, agenda items are structured with appropriate time allocations. Members of senior management and external advisers are invited to attend meetings as required to present proposals, provide specialist input and respond to Directors' queries.

The Board meets at least quarterly, and additional meetings are convened as required. During 2025, the Board held four (04) meetings. Attendance of Directors is set out below:

Director	Board	Board Audit Committee	Board Nominations and Governance Committee	Board Remuneration Committee	Related Party Transactions Review Committee	Board Investment Committee	Board Risk and Compliance Committee
Mr. David Nai Pek Lau	4/4						
Mr. Supun Weerasinghe	4/4						4/5
Mr. Vivek Sood (appointed on 16 January 2025)	4/4		3/4	2/3		4/4	
Mr. Willem Timmermans	4/4	6/6	4/4		4/4	4/4	5/5
Ms. Komathi Balakrishnan	4/4	6/6					
Dr. Sharmini Coorey	4/4		4/4	3/3	4/4		
Mr. Thomas Hundt	4/4					4/4	5/5
Mr. Visvanathamoorthy Govindasamy	3/4	6/6	3/4	2/3	4/4		
Mr. Randeep Sekhon	3/4					4/4	2/3

Table 3 – Board and Board Committee Meetings Attendance

Access to Information

To enable informed decision-making, the Directors receive relevant, accurate and timely information in advance of each meeting, including agenda papers, background notes and financial and operational performance reports. The Board also receives periodic presentations on business developments, the risk profile, material regulatory updates and other matters relevant to the Group's operations.

The Board has independent access to senior management and may request additional information as required. All Directors have access to the advice and services of the Group Company Secretary, who is responsible to the Board for ensuring that Board procedures and applicable laws and regulations are complied with.

The Directors, particularly Non-Executive Directors, may obtain independent professional advice in the furtherance of their duties at the Company's expense by prior arrangement with the Company Secretary.

Professional Development and Performance Evaluation

The Directors are provided with opportunities to update and enhance their knowledge through programmes facilitated by internal and external experts, and are periodically briefed on changes to applicable laws, regulations, accounting standards and industry developments that may impact the Group. Newly appointed Directors receive a comprehensive induction programme tailored to the Company's operations and governance environment.

The Board Nominations and Governance Committee ("BNGC") oversees the evaluation of the Board's performance, including the methodology and objective criteria to be applied.

For the financial year ended 31 December 2025, the annual performance evaluations of Executive and Non-Executive Directors were conducted to assess the effectiveness of the Board in discharging its duties and responsibilities and to ensure that Directors demonstrate an appropriate understanding of their fiduciary and statutory obligations and the expected standards of diligence, accountability and governance.

Managing Conflicts of Interest

The Company has established processes to identify, manage and mitigate actual, potential or perceived conflicts of interest to safeguard the integrity and independence of Board decision-making.

The Directors are required to disclose conflicts on appointment and thereafter on a quarterly basis, as well as when matters arise. Where a conflict exists or may reasonably be perceived to exist, the relevant Director abstains from deliberations and decision-making. Disclosures and related actions are appropriately recorded in meeting minutes.

A register of Directors' interests is maintained by the Company Secretary in accordance with the Companies Act No. 7 of 2007 (and amendments thereto). Directors' affiliations are periodically reviewed to ensure that independence is not compromised, thereby reinforcing transparent and ethical governance and maintaining stakeholder confidence.

Name of Director	Board seats held in other Listed Companies		Board seats held in Unlisted Companies
	Executive Capacity	Non-Executive Capacity	
Mr. David Nai Pek Lau			KKB Engineering Ghd Boostbank Bhd Heineken Malaysia
Mr. Supun Weerasinghe		Dialog Finance PLC Hemas Holdings PLC	Director of ten private companies within the Dialog Group UNGC Network Sri Lanka The Ceylon Chamber of Commerce Lanka Number Portability Services (Guarantee) Limited Scybers (Private) Limited National Health Development Fund

Corporate Governance Report

Name of Director	Board seats held in other Listed Companies		Board seats held in Unlisted Companies
	Executive Capacity	Non-Executive Capacity	
Mr. Willem Lucas Timmermans		PT XLSmart Telecom Sejahtera PT Buma International Group TBK	
Dr. Sharmini Amrita Coorey		John Keells Holdings PLC	
Mr. Visvanathamorthy Govindasamy		Sunshine Holdings PLC Watawala Plantations PLC United Motors Lanka PLC Softlogic Life Insurance PLC	Sunshine Wilmar Private Limited Lonach Dairy Ltd Ceylon Business Development Limited Lanka Island Resorts Ltd
Mr. Randeep Singh Sekhon		Robi Axiata Limited Indus Towers Limited	Firefly Networks Limited
Mr. Thomas Hundt		PT Link Net Tbk	Director of five companies within the Axiata Group
Ms. Komathi Balakrishnan			Director of eighteen companies within the Axiata Group
Mr. Vivek Sood	Axiata Group Berhad	CelcomDigi Berhad PT XLSMART Telecom Sejahtera Tbk Robi Axiata PLC PT Link Net Tbk	ADA Data AI Solutions Sdn Bhd Boost Holdings Sdn Bhd Smart Axiata Co Ltd

Table 4 – Board memberships of the Board of Directors as at 31 December 2025

Delegation of Authority and Board Committees

The Board retains authority over matters reserved to it, while delegating appropriate authority to Board Committees and management through the Group Policies and Limits of Authority (“LOA”) framework. Group Policies establish the principles and standards for conducting business, while the LOA provides clear direction on decision-making thresholds and delegated authorities.

This framework supports timely, consistent and high-quality decision-making with clear accountability.

The Board is supported by the following Board Committees:

1. Board Audit Committee (“BAC”)
2. Board Nominations and Governance Committee (“BNGC”)

3. Board Remuneration Committee (“BRC”)
4. Related Party Transactions Review Committee (“RPTRC”)
5. Board Risk and Compliance Committee (“BRCC”)
6. Board Investment Committee (“BIC”)

Each Committee operates under written Terms of Reference approved by the Board. The Board receives reports on Committee proceedings and, where matters remain reserved for the Board, relevant recommendations are submitted for Board approval.

The Committee Chairpersons provide updates to the Board on key deliberations and decisions, which are appropriately reflected in Board minutes. The Group Company Secretary acts as secretary to all Board Committees.

A brief description of each Board Committee is provided below:

a) Board Audit Committee (BAC)

The BAC assists the Board in fulfilling its oversight responsibilities relating to financial reporting, the integrity of the financial statements, the effectiveness of internal controls, the internal audit function and the external audit process. The BAC promotes high standards of transparency and corporate disclosure and supports the maintenance of appropriate standards of corporate responsibility, integrity and accountability to shareholders. Members of the BAC are required to exercise independent judgment in carrying out their functions.

The activities undertaken by the BAC are set out in the BAC Report on pages 160 and 161 of this Annual Report.

b) Board Nominations and Governance Committee (BNGC)

The BNGC supports the Board in relation to Board composition, succession planning and governance arrangements. It identifies and assesses suitable candidates for appointment to the Board and certain senior management roles and makes recommendations to the Board accordingly.

The BNGC also reviews the governance framework to ensure that the Board comprises individuals with appropriate experience and knowledge across business, technology, finance and management, and that each Director brings an independent and objective perspective to Board deliberations. The BNGC receives periodic updates from the Group Human Resources function on people-related matters relevant to the Group.

The activities undertaken by the BNGC are set out in the BNGC Report on pages 163 to 167 of this Annual Report.

c) Board Remuneration Committee (BRC)

The BRC establishes and maintains a formal and transparent framework for determining the remuneration of Executive and Non-Executive Directors, including the Chief Executive Officer and the members of the senior management. The BRC seeks to ensure that remuneration policies are aligned with the Company's strategic priorities and market benchmarks and are fair, equitable and competitive, thereby enabling the Company to attract, retain and motivate talent required to deliver sustainable performance. Executive remuneration is designed to incorporate performance-linked elements aligned to corporate and individual objectives.

The composition of the Committee is set out below. The BRC met three (03) times during 2025 and attendance at meetings are set out in Table 3 above.

Name of Director	Position
Dr. Sharmini Coorey – Chairperson	Independent, Non-Executive Director
Mr. Visvanathamoorthy Govindasamy	Independent, Non-Executive Director
Mr. Vivek Sood	Non-Independent, Non-Executive Director

Table 6 – BRC Composition as at 31 December 2025

d) Related Party Transactions Review Committee (RPTRC)

The RPTRC reviews related party transactions in accordance with Section 9 of the CSE Listing Rules and meets at least once per financial quarter. The Company complied with the requirements of the CSE Listing Rules relating to related party transactions during the year under review.

The activities undertaken by the RPTRC are set out in the RPTRC Report on page 162 of this Annual Report.

e) Board Risk and Compliance Committee (BRCC)

The BRCC assists the Board in strengthening the Group's risk and compliance governance, including oversight of the Anti-Bribery and Anti-Corruption ("ABAC") framework and the Group's ethics programme. The BRCC monitors the effectiveness of the risk management and compliance framework and supports the Board in overseeing material risks, compliance obligations and the ethics programme.

As at 31 December 2025, the BRCC comprised five (05) members: Mr. Randeep Singh Sekhon (Chairperson), Mr. Willem Timmermans, Mr. Thomas Hundt, Mr. Supun Weerasinghe and Mr. Abid Adam.

The activities undertaken by the BRCC are set out in the BRCC Report on pages 168 and 169 of this Annual Report.

f) Board Investment Committee (BIC)

The BIC supports the Board in the oversight of capital allocation, funding requirements, asset productivity and return on invested capital ("ROIC"), and in evaluating material investment proposals and related propositions for recommendation to the Board.

As at 31 December 2025, the BIC comprised four (04) Board representatives of the Board namely Mr. Vivek Sood (Chairperson), Mr. Willem Timmermans, Mr. Thomas Hundt and Mr. Randeep Singh Sekhon and two (02) ex-officio members, being Mr. Supun Weerasinghe and Mr. Nik Rizal Kamil.

The BIC held four (04) meetings during the financial year ended 31 December 2025 and attendance at meetings are set out in Table 3 above.

The above Board Committees are supported by a comprehensive internal governance structure, including the Group Senior Management Committee ("GSMC"), chaired by the GCEO, overseeing the Group's operations. The GSMC is supported by Group Leadership Committees responsible for key functional areas and chaired by the respective senior management leaders.

Re-Appointment and Re-Election

In accordance with the Company's Articles of Association, Directors appointed during the year retire and offer themselves for re-election at the first Annual General Meeting ("AGM") following their appointment. Further, one-third of the Non-Executive Directors retire by rotation at each

Corporate Governance Report

AGM and may offer themselves for re-election. The Directors retiring by rotation are those who have been longest in office since their last appointment or re-appointment.

The details of the Directors retiring and eligible for re-election are set out in the Notice of AGM on page 313.

2. Remuneration Policy

The Company's remuneration policy is designed to attract, retain and motivate Directors with the calibre and experience commensurate with the scale and complexity of the Dialog Group. Director remuneration is proposed, evaluated and reviewed by the BRC and recommended to the Board, having regard to reasonableness, market practice and the responsibilities and time commitments of Directors.

The remuneration of Non-Executive Directors comprises a fixed monthly allowance and meeting attendance fees, paid based on the number of meetings attended during 2025.

The Executive Director, in his capacity as an employee, receives a salary, performance-based bonuses and other benefits in line with employment terms and market norms. Salary reviews consider market benchmarks and individual and Company performance. The performance-related component of Executive remuneration is structured to align the interests of the Executive Director with those of shareholders and to link rewards to corporate and individual performance. Variable remuneration is determined based on two dimensions: (i) Company performance against approved targets, and (ii) individual performance against a pre-agreed set of key performance indicators ("KPIs") comprising quantitative and qualitative measures. Performance outcomes and KPI achievement are reviewed by the BNGC and recommendations are submitted to the Board for approval.

Emoluments paid to Directors for the financial year 2025 are disclosed in Note 271 to the financial statements.

3. Accountability and Audit Financial Reporting

The Board is responsible for ensuring the integrity of the Company's financial reporting and believes that independent assurance is essential to safeguarding the reliability of the Group's accounting and financial reporting processes.

The Board aims to present a balanced, clear and understandable assessment of the Group's performance, position and prospects. Accordingly, the Board has established processes to verify and safeguard the integrity of the Group's accounting and financial reporting and internal control systems, which are periodically reviewed for effectiveness. The GCEO and the Group Chief Financial Officer ("GCFO") provide written declarations to the BAC and the Board confirming that the financial statements present a true and fair view, in all material respects, of the Company's financial position and performance, and are prepared in accordance with applicable accounting standards.

4. Recognise and Manage Risk Internal Controls

The Board acknowledges its overall responsibility for maintaining a sound system of internal controls to safeguard shareholders' investments and the Group's assets. The BAC reviews the effectiveness of the Group's system of internal controls and reports its findings to the Board. The review encompasses material controls, including financial, operational and compliance controls, as well as risk management systems. On a quarterly basis, and based on confirmations received from heads of units, the GCEO and GCFO provide the BAC with a certificate of compliance confirming adherence to applicable statutory and regulatory requirements.

Risk Management, Compliance and Control

The Group has established and implemented an Enterprise Risk Management ("ERM") framework and compliance programmes for identifying, assessing, monitoring and managing material risks across the organisation. Key elements include:

- maintaining the Company's risk profile covering the Group's business, financial and non-financial risks;
- assessing and mitigating technology, cybersecurity and data privacy risks;
- assessing and mitigating bribery and corruption risks;
- assessing and mitigating legal and regulatory risks;
- assessing and mitigating sustainability-related risks; and
- periodically reviewing the effectiveness of the Group's risk management and compliance monitoring systems.

The Risk and Compliance Management Committee ("RCMC") monitors material risks and reports to the BRCC and the Board on a quarterly basis, and more frequently where significant risks arise. The Group has implemented a comprehensive ABAC programme aligned with the Anti-Corruption Act, No. 9 of 2023, and underpinned by the Group's core value of "Uncompromising Integrity". The ABAC programme is guided by the T.R.U.S.T. principles:

T	Top Level Commitment
R	Risk Assessment
U	Undertaking Control Measures
S	Systematic Review, Monitoring, and Enforcement
T	Training and Communication

The key activities of the BRCC are detailed in the BRCC Report on pages 168 and 169.

Internal Audit

The internal audits are performed by the Group Internal Audit function, which is independent of management. The Internal Auditor has access to management and the authority to obtain information, records, assets and personnel relevant to the scope of an audit or review. Upon completion of audits / reviews, reports are submitted to the BAC for consideration and follow-up.

The BAC oversees the scope and effectiveness of the internal audit and has access to the internal auditor without the presence of management. To reinforce independence and objectivity, the internal audit function has a direct reporting line to the BAC. The BAC is responsible for the appointment and dismissal of the Group Chief Internal Auditor.

The Details of internal audit activities are set out in the BAC Report on page 161.

5. Responsible Decision-Making

The Group's Code of Business Ethics and Employee Code of Conduct promote ethical and responsible decision-making and guide Directors, employees and other stakeholders on the standards expected to maintain confidence in the Group's integrity. The Board Code of Conduct and Ethics guides Directors in carrying out their oversight responsibilities in the best interests of the Company, consistent with their fiduciary duties and delegated authority.

The Group has also adopted an ABAC policy and a Gifts, Donations and Sponsorships policy to embed the value of uncompromising Integrity in day-to-day decision-making. In addition, the Group maintains an Insider Trading Policy governing trading by Directors, officers and employees in the Company's securities, including restrictions applicable to designated officers and awareness of legal prohibitions.

The Group maintains a "speak up" (whistleblowing) channel and a whistleblowing policy that is publicly available in all three national languages. The Company is committed to protecting, within reasonable limits, individuals who raise concerns in good faith and those who participate in investigations, from retaliation (link to whistleblowing / speaking up policy: <https://dialog.lk/whistle-blowing>)

6. Respect for the Rights of Shareholders

The Company is committed to maintaining regular, proactive, and effective engagement with shareholders and the broader investor community. In line with good corporate governance practice, the Company recognises and safeguards the rights of shareholders and seeks to facilitate informed participation by ensuring timely access to balanced, accurate, and relevant information on the Company's performance, strategy, and material developments.

Communication with shareholders

The Company communicates with the shareholders through the following means of communication:-

1. Annual General Meeting (AGM)

The AGM serves as the principal forum for shareholder engagement with the Board, providing shareholders with a reasonable opportunity to raise questions, express views, and vote on matters requiring shareholder approval. The forthcoming AGM will continue to be used as an effective platform to communicate with shareholders. Senior Management and the External Auditors also attend the AGM to support transparency and facilitate informed dialogue.

2. Announcements to the Colombo Stock Exchange

Quarterly interim financial results, press releases, and announcements relating to corporate actions are disclosed to the

CSE promptly and in a timely manner, in compliance with the Listing Rules of the CSE and applicable regulatory requirements.

3. Media Releases

The Company ensures that media releases relating to significant corporate developments and business initiatives are issued through its Group Corporate Communications Unit, with a view to support consistent and appropriate disclosures to the market.

4. Company website

Information on the Company's performance, financial information, press releases, annual reports, all relevant announcements made to the CSE, and other corporate information is made available on the Company's website at <https://dialog.lk/financial-report-archives>.

Policies

The Company has established, adopted, and published (via the Company website) a suite of policies to promote adherence to best practices in corporate governance, ethical conduct, and regulatory compliance.

- Board Code of Conduct and Ethics
- Policy on the matters relating to the Board of Directors
- Policy on Board Committees
- Policy on Corporate Governance, Nominations and Re-election
- Policy on Remuneration
- Policy on Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
- Policy on Risk Management and Internal controls
- Policy on Relations with Shareholders and Investors
- Policy on Environmental, Social and Governance Sustainability

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- Policy on Corporate Disclosures
- ABAC Policy
- Whistle Blowing Policy
- Policy on Control and Management of Company Assets and Shareholder Investments

No material amendments were made to the above policies during the financial year ended 31 December 2025.

Investor Relations

During 2025, the Company maintained an active and structured investor engagement programme, interacting with key local and foreign investors through investor forums, one-to-one meetings, and virtual engagements conducted throughout the year.

In support of transparent and timely disclosure, the Company conducted quarterly earnings briefings via a virtual conferencing platform to apprise analysts and investors of its financial performance. These briefings included a comprehensive review of the Group's results and enabled participants to seek clarifications on matters arising there from. Presentation materials and related information are made available on the Company's website at <http://www.dialog.lk/quarterly-reports>

Further, the Company hosted its annual investor forum during the year, providing stakeholders with additional insights into operational performance, strategic priorities, and the forward-looking outlook, consistent with the Company's commitment to ongoing engagement and effective stewardship.

Major Transactions

There were no transactions during the year deemed to constitute a "major transaction" as defined under the Companies Act No. 7 of 2007.

Sustainability Governance

Responsibility for Sustainability Governance

GRI 2-12, 2-14, 2-17

Role of the highest governance body in overseeing the management of impacts

The Board of Directors holds ultimate responsibility for overseeing the management of the Group's Environmental, Social and Governance (ESG) impacts. This oversight is exercised through a structured governance framework supported by Board Committees and senior management, ensuring that material impacts are identified, assessed, and managed in alignment with the Group's strategy and risk appetite.

The Board is supported by the Board Risk and Compliance Committee (BRCC) who reviews the effectiveness of policies, controls, and processes established to manage these impacts, including those relating to sustainability-related risks and opportunities (SRROs). Management is responsible for implementing these processes and integrating impact management into day-to-day operations, risk management practices, and strategic initiatives.

The Board is regularly updated on key impacts through formal reporting mechanisms, including risk assessments, sustainability disclosures, and integrated reporting processes, enabling effective oversight and timely decision-making. This ensures that the Group adopts a proactive and balanced approach to managing its impacts while creating sustainable long-term value for stakeholders.

Responsibilities of the Board and BRCC with regards to Sustainability-Related Risks and Opportunities (SRROs)

The Board Charter and the Terms of Reference of the BRCC set out their responsibilities for identifying,

measuring, monitoring, managing and reporting SRROs. According to the Board Charter, the Board of Directors retains overall accountability for the oversight of sustainability-related risks and opportunities (SRRO), ensuring that they integrated into the Group's strategic planning, risk management and performance management processes. Oversight is exercised through a structured governance framework supported by Board Committees, senior management and management information systems.

The Board Risk and Compliance Committee (BRCC) plays a key role in sustainability governance, assisting the Board by overseeing the identification, assessment, monitoring, and management of SRROs. BRCC reviews SRROs quarterly, escalating key concerns to the Board. BRCC also reviews the adequacy and effectiveness of the policy framework and recommends necessary improvements to the Board and management. It also reviews the systems and processes in place to identify and manage SRROs, as well as the progress made in minimising and mitigating exposures.

Management is responsible for the implementation and operationalisation of sustainability strategies, including the integration of ESG considerations into business processes, risk management frameworks, and performance monitoring. Regular reporting mechanisms are established to provide the Board and its Committees with updates on SRRO, enabling effective oversight and continuous improvement.

Collective knowledge of the Board on Sustainability

GRI 2-17

The Board of Directors, supported by the Board Nominations and Governance Committee, ensures that the requisite skills and competencies are available to oversee strategies relating to sustainability-related risks and opportunities (SRROs). This is

achieved through a structured approach encompassing Board composition, periodic evaluations, and continuous professional development.

The Nominations and Governance Committee assesses the collective expertise of the Board to ensure an appropriate balance of skills, including finance, technology, risk management, and sustainability, aligned with the Group's strategic priorities. Where skill gaps are identified, these are addressed through targeted Board appointments, succession planning, and ongoing training and development initiatives. These processes collectively ensure that the Board maintains the necessary knowledge, competence, and experience to discharge its oversight responsibilities effectively.

Informing the Board about the organisation's SRROs

The Board Risk and Compliance Committee (BRCC) receives quarterly updates on SRROs through a structured reporting and governance framework. Dialog uses the Axiata Group's sustainability reporting system to record the relevant sustainability metrics and these are uploaded to the BoardPac App, enabling all Directors to access the same. Additionally, minutes of BRCC are also circulated to all Directors while a separate report is prepared by the Sustainability Team on exposures and progress on KPIs for SRROs.

SRROs are integrated into the Group's enterprise risk management processes, and are communicated through formal Board and Committee meetings, Board papers, risk dashboards, and performance reports. These updates are typically presented on a quarterly basis, or more frequently where required, particularly in response to emerging risks, regulatory developments, or significant ESG-related matters.

In addition, the Board receives updates through the sustainability disclosures enabling a comprehensive

understanding of the organisation's ESG impacts and responses. This structured and regular flow of information ensures that the Board and its Committees remain adequately informed to provide effective oversight and timely strategic direction in relation to SRROs.

Integrating SRROs into strategy, decisions on major transactions, and risk management process and related policies

The Board of Directors and its delegated Committees integrate sustainability-related risks and opportunities (SRROs) into the Group's strategic planning, decision-making processes, and risk management framework. SRROs are considered as part of the formulation and review of corporate strategy, ensuring alignment with long-term value creation, stakeholder expectations, and responsible business practices.

In overseeing major transactions and capital allocation decisions, the Board evaluates the potential environmental, social, and governance (ESG) impacts alongside financial and operational considerations. This includes assessing potential risks, opportunities, and trade-offs, such as balancing growth objectives with environmental stewardship, regulatory compliance, and social responsibility.

The Board Risk and Compliance Committee supports this process by ensuring that SRROs are embedded within the enterprise risk management (ERM) framework and reflected in relevant policies, controls, and mitigation strategies. Sustainability-related considerations are incorporated into risk identification, assessment, and monitoring processes, and are periodically reviewed to ensure continued relevance and effectiveness.

In evaluating trade-offs associated with SRROs, the Board adopts a balanced approach, weighing short-term performance against long-term

sustainability outcomes, including financial returns, environmental impact, and societal value. These considerations are reflected across the Group's disclosures, governance reports, and policy frameworks, demonstrating an integrated and forward-looking approach to managing SRROs

Setting targets related to SRROs, monitoring progress and linking sustainability-related performance metrics to remuneration policies

The Board of Directors, supported by the Board Risk and Compliance Committee (BRCC) oversees the setting of targets relating to sustainability-related risks and opportunities (SRROs) as part of the Group's strategic planning and performance management processes. Management proposes relevant ESG and sustainability targets, which are reviewed and endorsed by the Board to ensure alignment with the Group's long-term strategy, risk appetite, and stakeholder expectations.

Progress against these targets is monitored through a structured reporting framework, including periodic performance updates, key performance indicators (KPIs), and integrated reporting disclosures. The Board and its Committees review these metrics on a regular basis, enabling timely evaluation of performance, identification of gaps, and implementation of corrective actions where required.

Sustainability-related performance metrics are progressively embedded into the Group's performance management and remuneration framework, particularly at senior management level. Where applicable, ESG-related KPIs form part of the evaluation criteria for executive performance, ensuring alignment between sustainability objectives and incentive structures.

This integrated approach ensures that SRRO targets are effectively governed, monitored, and linked to accountability

Corporate Governance Report

mechanisms, reinforcing the Group's commitment to sustainable value creation.

Role of the highest governance body in sustainability reporting

GRI 1 2-14

The Board of Directors is ultimately responsible for overseeing the integrity, accuracy, and completeness of the Company's sustainability reporting. This responsibility is exercised through a structured governance framework supported by Board Committees and senior management.

The Board reviews and approves the Annual Report, including sustainability-related disclosures, ensuring that all material environmental, social, and governance (ESG) matters are appropriately presented and aligned with applicable regulatory requirements and internationally recognised reporting frameworks.

The Board Risk and Compliance Committee supports this oversight by reviewing sustainability-related information, risk disclosures, and non-financial reporting processes prior to submission to the Board. Management is responsible for the preparation and consolidation of sustainability data and disclosures, which are subject to internal controls and independent assurance processes to enhance reliability and credibility.

Delegation of responsibility for sustainability

GRI 2 2-13

Management at Dialog Axiata PLC plays a clearly defined and structured role in the governance of sustainability-related risks and opportunities (SRROs), with accountability delegated to specific management level positions and committees. Primary responsibility rests with the Group Chief Executive and is operationally delegated to

the Group Chief Corporate Officer, who oversees Risk, Compliance and Sustainability, supported by cross functional management committees and specialist teams such as the sustainability and climate governance functions. Oversight over these roles is exercised through formal reporting lines, periodic management reviews and escalation to the Board Risk and Compliance Committee, ensuring alignment between management actions and Board expectations. Management uses established controls, policies and procedures - including the enterprise risk management framework, sustainability and risk management policies, internal control systems, KPIs and performance dashboards - to identify, assess, monitor and manage SRROs. These controls are integrated with other internal functions such as finance, strategy, operations, internal audit, compliance and information security, enabling sustainability-related considerations to be embedded within capital allocation, operational decision making, internal reporting and assurance processes, rather than managed in isolation, thereby supporting consistent oversight, transparency and long-term value creation.

The SRROs are identified on a quarterly basis and is submitted and presented to the Risk and Compliance Management Committee and the Board Risk and Compliance Committee on a quarterly basis under the ESG paper.

Defining the Group's sustainability agenda

GRI 2-22

Statement on sustainable development strategy

Dialog articulated its sustainability strategy as an integrated component of long-term value creation, embedded within the Group's purpose of empowering and enriching Sri Lankan lives and enterprises. The strategy links digital enablement, inclusion, environmental stewardship, and strong

governance to national development priorities and stakeholder expectations, rather than treating sustainability as a standalone agenda.

Policy commitments

GRI 2-23

Dialog disclosed policy commitments across governance, ethics, human capital, environmental responsibility, and social inclusion. Rather than issuing separate sustainability policies, Dialog demonstrated alignment through Group-wide functional policies (e.g. Code of Conduct, HR policies, risk management frameworks), aligned with international standards such as SLFRS, GRI, SASB, GSMA, TCFD and TNFD.

Embedding policy commitments

GRI 2-24

Dialog evidenced the embedding of policy commitments through operational integration, management accountability, and governance oversight. Sustainability related commitments were embedded into:

- Board and management committee oversight
- Risk management and internal control systems
- Performance monitoring and reporting mechanisms

This demonstrates that policies are translated into business processes and decision making, not treated as standalone statements.

Processes to remediate negative impacts

GRI 2-25

Dialog described processes to identify, assess, and remediate negative impacts through its:

- Enterprise Risk Management framework
- Compliance mechanisms
- Internal controls and escalation procedures

Social, environmental, and governance risks are assessed and monitored as part of the Group's risk profile, with defined escalation pathways and remediation actions reviewed by management and Board committees.

Mechanisms for seeking advice and raising concerns

GRI 2-26

Dialog disclosed the availability of formal mechanisms for seeking guidance and raising concerns, including:

- ▶ Internal escalation and whistle blowing mechanisms
- ▶ Governance and compliance channels
- ▶ Board-level oversight of ethical and compliance-related matters

These mechanisms support ethical conduct, accountability, and stakeholder trust across the organisation.

Governance of Nature-Related Dependencies, Impacts, Risks and Opportunities (DIROs)

Governance Structure and Oversight

Oversight of Nature-Related Dependencies, Impacts, Risks and Opportunities (DIROs), including climate-related considerations, is embedded within the Group's governance framework and vested in the Board of Directors, with primary delegation to the Board Risk and Compliance Committee (BRCC). The BRCC provides focused oversight where nature-related matters intersect with enterprise risk management, regulatory compliance, and organisational resilience. This structure ensures that DIROs are systematically integrated into governance processes, supported by formal reporting mechanisms that provide the Board with quarterly and annual updates, with escalation of material issues outside regular reporting cycles where necessary.

Roles, Responsibilities and Strategic Integration

The Board Risk and Compliance Committee is responsible for overseeing climate-, energy-, environment-, and nature-related matters, including emissions, energy efficiency, biodiversity considerations, and natural capital management. These responsibilities are codified through key governance instruments such as the BRCC Terms of Reference, ESG Policy, Environmental Management Framework, and ISO 14001 Environmental Management System, ensuring alignment with IFRS S2 and TNFD principles. Nature-related DIROs are actively considered in strategic planning, capital allocation, major investment decisions, and enterprise risk management, with the Board explicitly evaluating trade-offs between cost, resilience, climate impact, and nature-related considerations.

Capability, Monitoring and Management Execution

The Board ensures that appropriate skills and competencies are in place to oversee DIROs through Board composition reviews, periodic briefings on climate- and nature-related risks, and access to internal and external expertise. The BRCC oversees the setting of climate- and nature-related targets and monitors progress through periodic dashboards and sustainability reporting, with selected performance indicators integrated into management performance frameworks where appropriate. Day-to-day management of DIROs is delegated to senior management, supported by dedicated sustainability and environmental functions, with oversight exercised through ISO 14001-aligned controls, enterprise risk management processes, and integrated reporting across finance, operations, procurement, and risk functions.

Cybersecurity Governance

Cyber Security Governance is a core strategic pillar at Dialog, reflecting its role in operating critical national infrastructure. The Company

has established a mature and comprehensive governance framework, underpinned by robust policies, standards, and procedures that ensure the secure and resilient operation of its extensive technology landscape.

This framework is rigorously aligned with globally recognised standards, including ISO/IEC 27001:2022, ISO/IEC 27701:2025, ISO/IEC 27017:2015, ISO/IEC 27018:2019, and NIST CSF 2.0, ensuring best-in-class information security and privacy management practices.

Cybersecurity risk management is deeply-integrated into enterprise governance, combining strong operational ownership by specialised technical teams with independent oversight by the Risk and Compliance function. This layered approach enables proactive identification, assessment, and mitigation of evolving cyber threats. Safeguarding customer data remains paramount. The organisation enforces stringent data protection and privacy controls to ensure confidentiality, integrity, and responsible use of information, preventing unauthorised access or disclosure.

Cybersecurity leadership is driven by the Group Chief Corporate Officer and Group Chief Technology Officer, who oversee cybersecurity governance and operation respectively, supported by sustained investment and dedicated resources. At the highest level, the Board of Directors provides active and continuous oversight, receiving regular briefings and commissioning independent evaluations (Internal/ External Audits and Security Assessments) to validate the effectiveness and ongoing enhancement of the organisation's cybersecurity posture.

Through this structured, standards-driven, and continuously evolving approach, Dialog maintains a resilient, trusted, and industry-leading cybersecurity environment.

Report of the Board Audit Committee

Role of The Committee

The Board Audit Committee (BAC) is a formally constituted sub committee of the Board of Directors (Board). It reports directly to the Board and is accountable for supporting the Board's oversight responsibilities relating to the Group's financial reporting, audit processes, financial risk management and internal control environment.

The BAC provides direction and oversight to ensure adherence to international best practices; compliance with accounting standards issued by the Institute of Chartered Accountants of Sri Lanka; and conformity with applicable laws, regulations, and the Listing Rules of the Colombo Stock Exchange (CSE).

The Terms of Reference (ToR) of the BAC, define its authority and responsibilities. These are reviewed periodically and updated as necessary to ensure continued alignment with regulatory requirements and best practices. Each member of the BAC evaluates the Committee's effectiveness annually. The BAC also reviews the performance and work practices of the external auditors.

Composition

The BAC comprises three (03) Non-Executive Directors, the majority of whom are Independent Directors. The BAC is chaired by Mr. Willem Timmermans, Independent, Non-Executive Director, who is a member of the Institute of Certified Management Accountants (CMA) Australia. The composition is in compliance with the requirements stipulated in the Listing Rules of the CSE. The Group Company Secretary serves as the Secretary to the BAC.

The members of the BAC as of 31 December 2025 were:

1. Mr. Willem Lucas Timmermans – Independent, Non-Executive Director (Chairman)

2. Ms. Komathi Balakrishnan - Non-Independent, Non-Executive Director
3. Mr. Visvanathamoorthy Govindasamy - Independent, Non-Executive Director

Meetings

The BAC had six meetings during the year 2025, which included two special meetings. The meeting attendance is set out in the table below:-

Name of Member	Position	Attendance
Mr. Willem Timmermans – Chairman	Independent, Non-Executive Director	6/6
Ms. Komathi Balakrishnan	Non-Independent, Non-Executive Director	6/6
Mr. Visvanathamoorthy Govindasamy	Independent, Non-Executive Director	6/6

The Group Chief Executive Officer (GCEO), Group Chief Financial Officer (GCFO), and Group Chief Internal Auditor attended meetings by invitation. The external auditors also attended relevant sessions to present updates and brief the BAC on matters requiring attention.

The Board is apprised of the significant matters deliberated and considers and adopts, if thought fit, the recommendations of the BAC.

Summary of Principal Activities of the BAC During the Year

During the year, in addition to the routine activities, the BAC was updated on the coverage of revenue assurance and fraud management initiatives, Group Tax planning initiatives and reviewed and approved revisions or enhancements to several internal policies, including the Internal Audit Manual and Audit Charter.

The following include other key routine activities carried out by the BAC during 2025:

1) Financial Reporting

In relation to the BAC's primary function to provide assurance on the reliability of financial statements through an independent review of risks, controls and the governance process, it reviewed the quarterly and annual financial statements, in consultation with the external and internal auditors, prior to making recommendations to the Board for approval. Particular consideration was given to;

- a) changes - or implementation of accounting policies and practices;
- b) significant or material adjustments with financial impact arising from audits;
- c) significant unusual events or exceptional activities;
- d) compliance with relevant accounting standards and other statutory and regulatory requirements.

Assurances were provided by the GCEO and GCFO, that the financial records have been accurately maintained and that the financial statements reflect a true and fair representation of the Company's and Group's operations and financial position.

2) Financial Risk Management and Internal Control

During the year, the BAC reviewed and monitored reports furnished by the internal auditors, the external auditors and the management, including;

- a) Management Audit Leadership Committee reports on progress of remedial actions concerning material internal control findings as highlighted by the internal and external auditors;
- b) Certificate of Compliance attested by the GCEO and GCFO, confirming compliance with all applicable statutory and regulatory requirements;
- c) Reviewing the Conflict of Interests declarations of Directors and Employees.

3) External Audit

The BAC reviewed the External Audit Plan, including the scope and the fee for the annual audit, and had discussions with the external auditor, Messrs. Deloitte Partners, Chartered Accountants, ("Deloitte") prior to the year-end audit to discuss their audit approach and procedures, including matters relating to the scope of the audit.

Upon completion of the audit, the BAC reviewed the findings and recommendations outlined in the Management Letter arising from the audits of the quarterly and annual financial statements and ensured that appropriate follow-up actions were taken.

The independence and objectivity of the external auditor was reviewed by the BAC, which held the view that the services outside the scope of the statutory audit provided by the external auditors have not impaired their independence. The BAC also assessed the measures implemented by the external auditor to ensure their independence, and has received

confirmation from the external auditor that they adhere to the independence guidelines outlined in the Code of Ethics of the Institute of Chartered Accountants of Sri Lanka.

The external auditor also offers non-audit services based on approval limits as per respective Limits of Authority. To maintain independence, audit and non-audit services are performed by separate teams within the external audit firm. This segregation ensures that professionals responsible for the financial statement audit are not involved in providing advisory or consulting services to the audited entity, thereby reducing any potential bias or undue influence.

In line with corporate governance best practices, the total fees paid to the external auditors, including those for audit and non-audit services, are disclosed in financial statements.

Messrs. Deloitte Partners Sri Lanka has served as the external auditor of the Company for 33 years (during which period the Firm operated under the name PricewaterhouseCoopers Sri Lanka). Ms. Shanila Henry, has functioned as the designated Audit Partner with effect from 01 April 2025, in line with the Firm's internal rotation policies and applicable regulatory guidelines.

The BAC recommended to the Board that Messrs. Deloitte Partners be re-appointed as the external auditors for the ensuing financial year.

4) Internal Audit

The BAC is supported by the Group Internal Audit Division, which is headed by Mr. Tilak Rahulan (DipM, MCIM, Chartered Marketer, CIPP, PMP and Six Sigma Black Belt). The Internal Audit team has a mix of expertise in the disciplines of Finance, Information Technology, Information Security including Cyber Security, Network Engineering and Network

Security, Digital Services, and Sales and Marketing, Analytics and Artificial Intelligence based machine learning. The division leverages on global best practices and has an ongoing knowledge sharing and training programme with the Axiata Group.

The division's audit plans are reviewed and approved by the BAC. The performance of the Group Internal Audit Division is evaluated annually by the BAC against the approved audit plan and pre-determined key performance indicators. The BAC reviews the periodic reports of the Group Chief Internal Auditor, which outline control issues and recommendations, and monitors the implementation of follow-up actions on both past and present recommendations.

During the year under review, the Group Internal Audit Division performed seventy-nine (79) audits and other related assignments and highlighted key risk findings / observations with recommendations for action. In addition, the division co-ordinated and updated the follow-up action reviews on external audit findings.

Conclusion

The BAC is satisfied that the Group's accounting policies, internal controls, and risk management processes are adequate to provide reasonable assurance that the financial affairs of the Group are managed in accordance with Group policies and accepted accounting standards.

On behalf of the Board Audit Committee



Mr. Willem Timmermans
Chairman, Board Audit Committee

29 April 2026

Report of the Related Party Transactions Review Committee

Role of the Committee

The Related Party Transactions Review Committee (RPTRC) is a formally constituted sub-committee of the Board of Directors (Board) and reports to the Board.

The primary function of the RPTRC is to review Related Party Transactions (RPTs) as prescribed in the Listing Rules of the CSE, in order to ensure that transactions with related parties are on normal commercial terms, similar to those afforded to non-related parties.

The Terms of Reference of the RPTRC define its authority and responsibilities. These are reviewed periodically and updated as necessary to ensure continued alignment with regulatory requirements and best practices.

Composition

The RPTRC comprises three (03) Directors, all of whom are Independent, Non-Executive Directors. The composition of the RPTRC is compliant with the provisions of the Listing Rules of the CSE. The members of the RPTRC as of 31 December 2025 were:

1. Mr. Willem Lucas Timmermans – Independent, Non-Executive Director (Chairman)
2. Dr. Sharmini Coorey - Independent, Non-Executive Director
3. Mr. Visvanathamoorthy Govindasamy - Independent, Non-Executive Director

The Group Company Secretary serves as the Secretary to the RPTRC.

Meetings

The RPTRC had four meetings during the year 2025. The meeting attendance of the members is set out in the table below:

Name of Member	Attendance
Mr. Willem Timmermans - Chairman	4/4
Dr. Sharmini Coorey	4/4
Mr. Visvanathamoorthy Govindasamy	4/4

Policies and Procedures Adopted by the RPTRC

Declarations are obtained from each Director/ Key Management Personnel of the Company for the purpose of identifying parties related to them. Based on the information furnished in these declarations, the related party transactions are identified from information maintained with the Company. The Company has implemented a Related Party and Associated Enterprise Policy Manual to regulate and establish procedures in relation to all RPTs.

Recurrent RPTs forecasted for the period are submitted quarterly by Management for review and consideration by the RPTRC. Non recurrent RPTs are reviewed and approved by the RPTRC prior to the transaction being entered into or if the transaction is expressed to be conditional on such review, prior to the completion of the transaction. The RPTRC's recommendations are subsequently communicated to the Board for consideration.

Conclusion

The RPTRC is satisfied that all RPTs reviewed by the RPTRC during the year 2025 were compliant with the CSE Rules pertaining to Related Party Transactions, Related Party Transactions principles and were at

arm's-length terms and not prejudicial to the interests of Company and its minority shareholders. The RPTRC's observations and recommendations were duly communicated to the Board throughout the year.

On behalf of the Related Party Transactions Review Committee.



Mr. Willem Timmermans
Chairman, Related Party Transactions Review Committee

29 April 2026

Report of the Board Nominations and Governance Committee

Role of the Committee

The Board Nominations and Governance Committee (BNGC) is a formally constituted sub-committee of the Board of Directors (the Board). The BNGC reports directly to, and is accountable to, the Board.

The primary responsibility of the BNGC is to ensure a formal, transparent and effective process for the appointment of new Directors and the re-election of existing Directors. In doing so, the BNGC seeks to ensure that the composition of the Board and its Committees is appropriate, balanced and aligned with the Company's strategic objectives and governance requirements.

In addition, the BNGC is responsible for reviewing and recommending the Company's corporate governance framework, monitoring compliance with applicable laws, regulations, and best-practice governance standards, and providing oversight on matters relating to Board composition, succession planning, Board and Director evaluations, and overall governance practices.

Composition

The BNGC comprises four (04) Non-Executive Directors, the majority of whom are Independent Non-Executive Directors.

The members of the BNGC as at 31 December 2025 were:

Name of Member	Designation	Position Held	Date of Appointment
Dr. Sharmini Coorey	Independent, Non-Executive Director	Chairperson	01 October 2024
Mr. Willem Timmermans	Independent, Non-Executive Director	Member	01 October 2024
Mr. Vish Govindasamy	Independent, Non-Executive Director	Member	01 October 2024
Mr. Vivek Sood	Non-Independent, Non-Executive Director	Member	16 January 2025

Dr. Hans Wijayasuriya resigned from the Board and the BNGC with effect from 15 January 2025. Mr. Vivek Sood was appointed to the BNGC on 16 January 2025 in replacement of Dr. Wijayasuriya.

The Group Company Secretary serves as the Secretary to the BNGC.

Meetings

The BNGC met four (04) times during the financial year 2025. The attendance of the members at these meetings was as follows:

Name of Member	Attendance
Dr. Sharmini Coorey – Chairperson	4/4
Mr. Vish Govindasamy	4/4
Dr. Hans Wijayasuriya	0/0*
Mr. Willem Timmermans	4/4
Mr. Vivek Sood	3/4**

Note:* Resigned w.e.f. 15 January 2025
** Appointed w.e.f. 16 January 2025

The Group Chief Executive Officer attended meetings by invitation.

Activities in 2025

During the financial year ended 31 December 2025, the BNGC discharged its responsibilities in accordance with its Terms of Reference, supporting effective Board stewardship, sound governance practices, and sustainable value creation.

1) Board Composition, Appointments, and Succession

- Reviewed the composition of the Board and Board Committees to ensure an appropriate balance of skills, experience, independence, diversity, and continuity aligned with the Group's strategic priorities.
- Recommended appointments, reappointments, and re elections of Directors to the Board and Board Committees following a structured, transparent, and merit based process under the Fit and Proper Policy.

Report of the Board Nominations and Governance Committee

- Recommended the appointment of nominee Directors to subsidiary Boards to strengthen governance and oversight across the Group.
- Reviewed and updated succession plans for the Board and Committee Chairs with a focus on leadership continuity and long-term sustainability.

2) Governance Framework and Compliance

- Reviewed the effectiveness of the Company's governance framework and recommended enhancements in line with evolving regulatory requirements, best practices, and stakeholder expectations.
- Monitored compliance with applicable corporate governance codes, listing rules, and internal governance policies.
- Reviewed updates to the Code of Conduct and supported initiatives to strengthen ethical culture, accountability, and integrity across the Group.

3) Board and Leadership Effectiveness

- Oversaw the annual performance evaluation of the Board, and suggestions and areas for improvement identified by the Directors were deliberated in detail, and the required follow up actions were agreed and implemented.
- Evaluated the performance of the Group Chief Executive Officer against agreed objectives and leadership expectations.

4) Human Capital and Leadership Development

- The BNGC reviewed succession plans for the Group Chief Executive Officer and Key Management Personnel, and recommended appointments and contract renewals, where applicable, to ensure leadership continuity and organisational stability.
- Reviewed human resources policies to ensure alignment with governance standards and organisational objectives.
- Reviewed talent development and leadership capability building initiatives to support organisational resilience and future leadership needs.

Disclosures by the BNGC

1) Policy and Processes for Director Nominations

The BNGC operates under a documented policy and structured processes governing the selection and appointment of Directors to the Board. The BNGC identifies, evaluates, and recommends candidates based on merit, ensuring an appropriate balance of skills, experience, independence, and diversity, including gender, ethnicity, and perspectives, aligned with the Company's strategic objectives. Candidates are assessed for their expertise, integrity, and independence, and are required to demonstrate strong industry knowledge, financial acumen, leadership capability, strategic insight, and a commitment to high ethical standards.

2) Re-election of Directors

In accordance with the Company's Articles of Association, Directors appointed during the year are required to submit themselves for re-election at the first Annual General Meeting (AGM)

following their appointment. Further, one-third of the Directors (excluding Executive Directors) retire by rotation at each AGM and may offer themselves for re-appointment. Directors retiring by rotation are those who have been longest in office since their last appointment or re-appointment.

3) Board Diversity

The Company recognises that Board diversity is fundamental to effective governance and sound decision-making. Accordingly, the BNGC promotes diversity across experience, skills, age, and gender, ensuring a broad mix of professional and industry backgrounds, balanced technical, financial, and leadership competencies, representation across age groups, and a continued commitment to female representation on the Board.

4) Effective Implementation of Policies and Processes

The effectiveness of the BNGC's nomination and governance processes is evidenced by rigorous due diligence on prospective Directors, including interviews, reference checks, and assessments of potential conflicts of interest. The BNGC also undertakes periodic reviews of Board composition to ensure continued alignment with evolving requirements relating to skills, experience, and diversity.

5) Information on Directors' Re-election

In compliance with the CSE Listing Rules, the table below sets out the details of the Directors re-elected, in accordance with the provisions stipulated in the Companies Act No. 07 of 2007 and the Company's Articles of Association, at the 28th Annual General Meeting held on 12 June 2025.

Name of Director	Board Committees served on	Date of first appointment as a Director	Date of last re-appointment as a Director	Directorships or Chairpersonships and other principal commitments both present and those held over the preceding three years in other Listed Entities in Sri Lanka	Any relationships including close family relationships between the candidate and the Directors, the Listed Entity or its shareholding more than ten per-centum (10%) of the shares of the Listed Entity
Retirement in terms of Sec. 210 of the Companies Act:					
Mr. David Nai Pek Lau	Nil	13 May 2020	12 June 2025	Nil	Nominee Director of Axiata Group Berhad
Retirement in terms of Article 109 of the Articles of Association:					
Mr. Visvanathamoorthy Govindasamy	BNGC BAC BRC RPTRC	01 October 2024	12 June 2025	<ul style="list-style-type: none"> Sunshine Holdings PLC Watawala Plantations PLC United Motors Lanka PLC Softlogic Life Insurance PLC 	Nil
Mr. Randeep Singh Sekhon	BRCC* BIC	08 November 2024	12 June 2025	Nil	Nominee Director of Bharti Airtel Limited
Mr. Vivek Sood	BIC* BNGC BRC	16 January 2025	12 June 2025	Nil	Nominee Director of Axiata Group Berhad
Retirement by Rotation in terms of Article 102 of the Articles of Association:					
Dr. Sharmini Coorey	BNGC* BRC* RPTRC	15 October 2022	12 June 2025	<ul style="list-style-type: none"> John Keells Holdings PLC 	Nil

Table 1 – Details of Directors re-elected at the last Annual General Meeting held on 12 June 2025

BRC	- Board Remuneration Committee
BIC	- Board Investment Committee
BAC	- Board Audit Committee
BRCC	- Board Risk and Compliance Committee
BNGC	- Board Nominations and Governance Committee
RPTRC	- Related Party Transactions Review Committee

*Denotes Chairperson

Report of the Board Nominations and Governance Committee

The following Directors are proposed for re-election, in accordance with the provisions stipulated in the Articles of Association of the Company and the Companies Act No. 07 of 2007, at the forthcoming 29th Annual General Meeting of the Company to be held on 11 June 2026.

Name of Director	Board Committees served on	Date of first appointment as a Director	Date of last re-appointment as a Director	Directorships or Chairpersonships and other principal commitments both present and those held over the preceding three years in other Listed Entities in Sri Lanka	Any relationships including close family relationships between the candidate and the Directors, the Listed Entity or its shareholding more than ten per-centum (10%) of the shares of the Listed Entity
Retirement in terms of Sec. 210 of the Companies Act:					
Mr. David Nai Pek Lau	Nil	13 May 2020	12 June 2025	Nil	Nominee Director of Axiata Group Berhad
Retirement in terms of Article 109 of the Articles of Association:					
Mr. Arjuna Herath	BAC RPTRC BRCC	01 May 2026	N/A	<ul style="list-style-type: none"> • Cargills Bank PLC • Senkadagala Finance PLC • Watawala Plantations PLC • RIL Property PLC • United Motors Lanka PLC 	Nil
Retirement by Rotation in terms of Article 102 of the Articles of Association:					
Ms. Komathi Balakrishnan	BAC	07 July 2023	13 June 2024	Nil	Nominee Director of Axiata Group Berhad
Mr. Thomas Hundt	BIC BRCC	17 February 2024	13 June 2024	Nil	Nominee Director of Axiata Group Berhad

Table 2 – Proposed Re-election of Directors at the forthcoming Annual General Meeting

BIC - Board Investment Committee

BAC - Board Audit Committee

BRCC - Board Risk and Compliance Committee

RPTRC - Related Party Transactions Review Committee

*Denotes Chairperson

6) Periodic Review of the Board and the CEO

The BNGC confirms that an annual evaluation of the performance of the Board of Directors and the Group Chief Executive Officer has been carried out. This evaluation process supports alignment with the Company's strategic objectives and promotes continuous improvement in governance and leadership effectiveness.

7) Flow of Information to Independent Directors on Major Issues

The Company has a structured framework to ensure Independent Directors receive timely and relevant information, including advance circulation of Board papers, regular updates, direct access to management, secure digital access and clear crisis communication protocols to support effective oversight.

8) Induction and Continuous Development

Formal induction programmes are conducted for newly-appointed Directors, covering the Company's operations, governance framework, regulatory environment, strategic objectives, financial performance, and key policies. Continuous development is encouraged to keep Directors informed of industry trends, regulatory changes, and governance best practices.

9) Update to Directors on Applicable Laws and Regulations

The Group Company Secretary provides quarterly governance updates to Directors through the Board Audit Committee, covering key corporate governance developments, changes to Listing Rules, and amendments to the Companies Act and related regulations. These updates complement the annual briefings and ensure Directors remain informed and compliant with evolving governance requirements throughout the year.

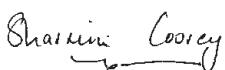
10) Independence of Directors

The BNGC confirms that all Independent Directors satisfy the criteria for independence as stipulated in the CSE Listing Rules.

Compliance with Corporate Governance Requirements

The BNGC confirms that the Company has fully complied with the applicable corporate governance requirements outlined in the CSE Listing Rules.

On behalf of the Board Nominations and Governance Committee



Dr. Sharmini Coorey

Chairperson, Board Nominations and Governance Committee

29 April 2026

Report of the Board Risk and Compliance Committee

Role of the Committee

The Board Risk and Compliance Committee (BRCC) is a formally constituted sub-committee of the Board of Directors (Board), established in 2020. The BRCC reports to and is accountable to the Board.

The primary responsibility of the BRCC is to assist the Board in fulfilling its oversight responsibilities in relation to enterprise-wide risk management, compliance, and governance. The Committee ensures that robust frameworks, policies, and processes are in place to identify, assess, manage, and monitor principal risks that may impact the Group's strategic objectives, financial performance, reputation, and long-term sustainability.

Key business risks overseen by the BRCC include;

- i) Cybersecurity and information security risks
- ii) Ethical use of Artificial Intelligence and AI Governance
- iii) Data privacy and regulatory compliance risks.
- iv) Anti-Bribery and Anti-Corruption (ABAC) related risks.
- v) Environmental, Social and Governance (ESG) and Sustainability risks
- vi) Legal and Regulatory risks
- vii) Occupational Health and Safety risks

The BRCC continuously seeks out best practices in terms of the governance, processes and systems to be utilised by the BRCC, while the members provide individual external independent opinions to the fact-finding, analysis and decision-making process of the BRCC, based on their experience and knowledge. Taking into account the viewpoints of the BRCC members, the BRCC makes decisions and recommendations for the best interest of the Board collectively.

Mr. Willem Timmermans served as the Chairman of the BRCC from 01 January 2025 to 28 February 2025. Mr Randeep Sekhon was appointed as Chairman and member of the BRCC with effect from 01 March 2025.

Composition

The BRCC is composed of five members, the majority of whom are Non-Executive Directors. The Group Company Secretary serves as the Secretary to the BRCC.

The members of the BRCC as at 31 December 2025 were:

1. Mr. Randeep Sekhon – Non-Independent, Non-Executive Director (Chairman)
2. Mr. Willem Timmermans – Independent, Non-Executive Director
3. Mr. Supun Weerasinghe – Group Chief Executive/ Non-Independent, Executive Director
4. Mr. Thomas Hundt - Non-Independent, Non- Executive Director
5. Mr. Abid Adam – Group Chief Risk and Compliance Officer, Axiata Group Berhad

Meetings

The BRCC had five meetings during the year 2025, which included one special meeting. The meeting attendance of the members is set out in the table below:-

Name of Member	Attendance
Mr. Randeep Sekhon – Chairman	2/3*
Mr. Willem Timmermans	5/5
Mr. Supun Weerasinghe	4/5
Mr. Thomas Hundt	5/5
Mr. Abid Adam	4/5

Note:

* Appointed w.e.f. 1 March 2025.

The high level of attendance reflects the Committee's strong commitment to effective oversight and governance.

Apart from the permanent membership, the Group Chief Financial Officer, Group Chief Technology Officer, Group Chief Information Officer and Group Chief Corporate Officer attended these meetings on invitation. The Board is apprised of the significant issues deliberated and considers and adopts, if thought fit, the recommendations of the BRCC.

Summary of Principal Activities of the BRCC During The Year

During the year the key focus areas of BRCC included;

- Anti-Bribery and Anti-Corruption programme of Dialog and continuous monitoring of compliance activities to ensure adequate procedures have been implemented.
- Gifts, Donations and Sponsorship Policy implementation and compliance to the policy
- Risk Management and Internal Control (SORMIC) Management Assurance
- Governance of the Enterprise Risk Management Policy and Business Continuity Management
- Governance of the Privacy Programme including the implementation of remediation activities from the assessment carried out in 2019/2020 period to strengthen the Privacy posture of Dialog and compliance to the Personal Data Protection Act No. 09 of 2022. Further, the privacy programme ensures compliance to the requirement of ISO 27701:2019 (Privacy Information Management System) standard.

- Monitoring of Cybersecurity programme and risk mitigation activities. Implementation of National Institute of Standards and Technology Cybersecurity Framework (NIST) and compliance to ISO 27001:2022 (Information Security Management System) standard.
- AI Governance initiatives and practice
- Legal and Regulatory compliance
- Environmental, Social and Governance (ESG) Programme of Dialog that is based on Telecom Industry Specific Metrics of Sustainability Accounting Standards Board (SASB), ESG Metrics for Mobile recommended by Global System for Mobile Communications Association (GSMA) and Sustainability Reporting Guidelines of Bursa Malaysia. ESG programme focuses on identifying potential climate-related opportunities and risks faced by the organisation and advising the relevant teams on mitigatory action.
- Governance of Occupational Health and Safety operation of Dialog Group

The BRCC also engaged in extensive discussions on strengthening network resilience in the context of Cyclone Ditwah, which impacted several regions in the country with heavy rainfall, strong winds, landslides and flooding and the broader implications of climate change. The BRCC was briefed regularly on the operational and strategic responses implemented by the Group to manage network disruptions caused by Cyclone Ditwah, and reviewed and assessed the effectiveness of the Group's Business Continuity Management (BCM) and Disaster Recovery frameworks, with particular focus on to network infrastructure, power continuity and field operations.

The BRCC is supported by the Group Risk, Compliance and Sustainability Divisions, which is headed by Mr. Asanga Priyadarshana, Group Chief Corporate Officer. The Divisions leverages on global best practices and has an ongoing knowledge sharing and training programme with the Axiata Group.

Conclusion

The BRCC, having reviewed the system of risk management controls covering financial, operational and compliance and having obtained reasonable assurance on their effectiveness, is satisfied with Dialog Group's adherence to and effectiveness of these controls for the period and is also satisfied with the policies and practices of the Company carried out during the year under review.

On behalf of the Board Risk and Compliance Committee.



Mr. Randeep Sekhon

Chairman, Board Risk and Compliance Committee

29 April 2026

Risks and Opportunities

Risk Management at Dialog is embedded within core operations, enabling the Group to identify and manage risks across its businesses. Supported by established governance structures, it guides decision-making, protects network reliability and ensures that investments in infrastructure, platforms and services remain within defined risk parameters. The process also facilitates the assessment of growth areas including data-led services, digital platforms, fintech and enterprise connectivity.

Increasing Uncertainty

The operating environment was influenced by a combination of global and domestic factors. Climate-related events remained a key area of concern, with implications for infrastructure resilience and continuity of service. The impact of Cyclone Ditwah during the year highlighted the increasing exposure of critical assets to extreme weather conditions, reinforcing the importance of strengthened mitigation and preparedness measures.

Geopolitical and economic developments continued to affect supply chains, technology ecosystems and cost structures. Rapid advancements in digital technologies, including data, cloud, AI-driven applications and fintech, further transformed patterns of engagement and consumption across both individual and enterprise segments. These developments have led to increased demands on network capacity, platform reliability and cybersecurity, necessitating continuous enhancement of operational capabilities.

Within this context, the Group also remained focused on emerging opportunities associated with more sustainable and digitally enabled business models. Investments in energy-efficient networks, responsible resource utilisation and solutions that support customers' digital transformation and sustainability objectives continued during the year. The Group maintained its focus on expanding access, promoting financial

inclusion and enabling broader participation in the digital economy, supporting long-term value creation.

In response to these developments, the Group further strengthened its risk management approach. Enhancements were made to risk identification and monitoring processes, supported by increased use of data-driven tools and scenario-based assessments. In tandem, efforts were directed at strengthening risk awareness across business units, ensuring that decision-making reflects a balanced consideration of both risks and emerging opportunities.

Elevating Standards

In 2025, Dialog continued to strengthen its approach to managing climate-related risks, particularly in relation to network stability and service continuity. More frequent and intense weather events have increased exposure across parts of the network, making resilience a priority. During the year, the Group focused on strengthening critical infrastructure, improving backup and redundancy across key sites and maintaining appropriate insurance cover. Engagement with national early warning systems also remained important, enabling the Group to support timely communication to communities while strengthening its own preparedness.

The year also saw continued progress in reducing the Group's environmental footprint. Efforts were directed at improving energy use across

network operations, alongside a gradual increase in the adoption of renewable energy solutions where feasible. These measures support both cost management and longer-term sustainability goals, while aligning with national priorities on climate resilience and emissions reduction.

Sustainability considerations are now more closely linked with risk management and business planning. In line with evolving disclosure requirements, including SLFRS S2, the Group further developed its approach to identifying and tracking climate-related risks and opportunities. This included strengthening internal oversight, improving how these risks are assessed and ensuring that relevant metrics are monitored more consistently.

Risk Governance

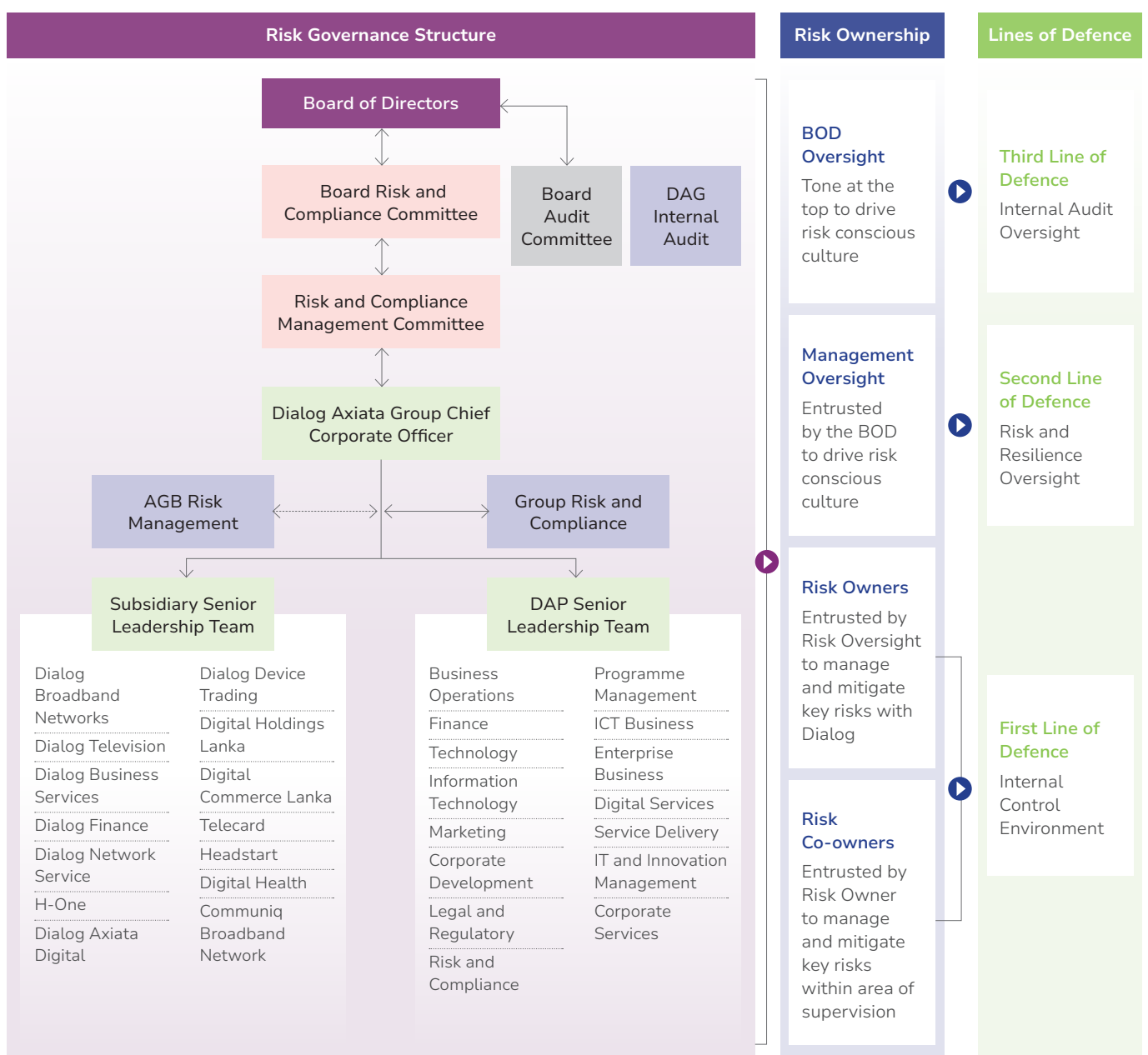
Board Guidance and Oversight

The Board Risk and Compliance Committee (BRCC) has primary responsibility for determining that there are robust processes in place for identifying, assessing, and monitoring CRROs, reporting to the Board of Directors on a quarterly basis. In this role, the BRCC are supported by the Risk and Compliance Management Committee (RCMC).

The identified climate-related risks are highlighted at the RCMC, chaired by Group Chief Executive, before it is carried forward to the BRCC at which major changes are incorporated into the strategy of the organisation. The governance body takes into account

climate-related risks and opportunities when overseeing strategy, its decisions on major transactions, and its risk management policies. A key example is the implementation of the solarisation project, which was the result of the Board being persuaded on the importance of addressing climate change concerns. The RCMC and BRCC also consider the trade-offs associated with CRROs, and an officer in charge decides whether any changes ought to be made. As discussed in the 'Board and committee selection process' subsection in the Corporate Governance Report (page 148), the governance body is equipped with the skills and competencies necessary to manage CRROs.

The Board has also committed to external bodies when setting targets like the Science-Based Targets initiative (SBTi). Targets pertaining to carbon emission and reduction are set internally on an annual and quarterly basis which is in line with the organisation's overall Net Zero roadmap. These targets are monitored comparing them to actuals on a quarterly basis by the overall energy performance and renewable energy used.



Risks and Opportunities

Delegation to Management

The management role is primarily driven by the Group Risk and Compliance and Group Sustainability teams. Risk policies and controls are in place for each portfolio (where risks are rated within a risk matrix). Actionable items are reflected on and delegated to relevant divisions based on the directions issued by the BRCC. The Chief Officer (CxO) of the sustainability division is responsible for the target-setting based on the organisation's performance, and targets are set for each quarter. These action items and targets are communicated to the respective divisional CxOs tasked with meeting these targets and executing the strategies designed to respond to climate-related risks and opportunities. The CxOs report to the GCEO directly.

For further information about the BRCC and RCMC, along with further details of the overall governance of Dialog's environmental, social, and economic impacts, please see pages 148 to 159. The responsibilities and roles for risk management are set out below.

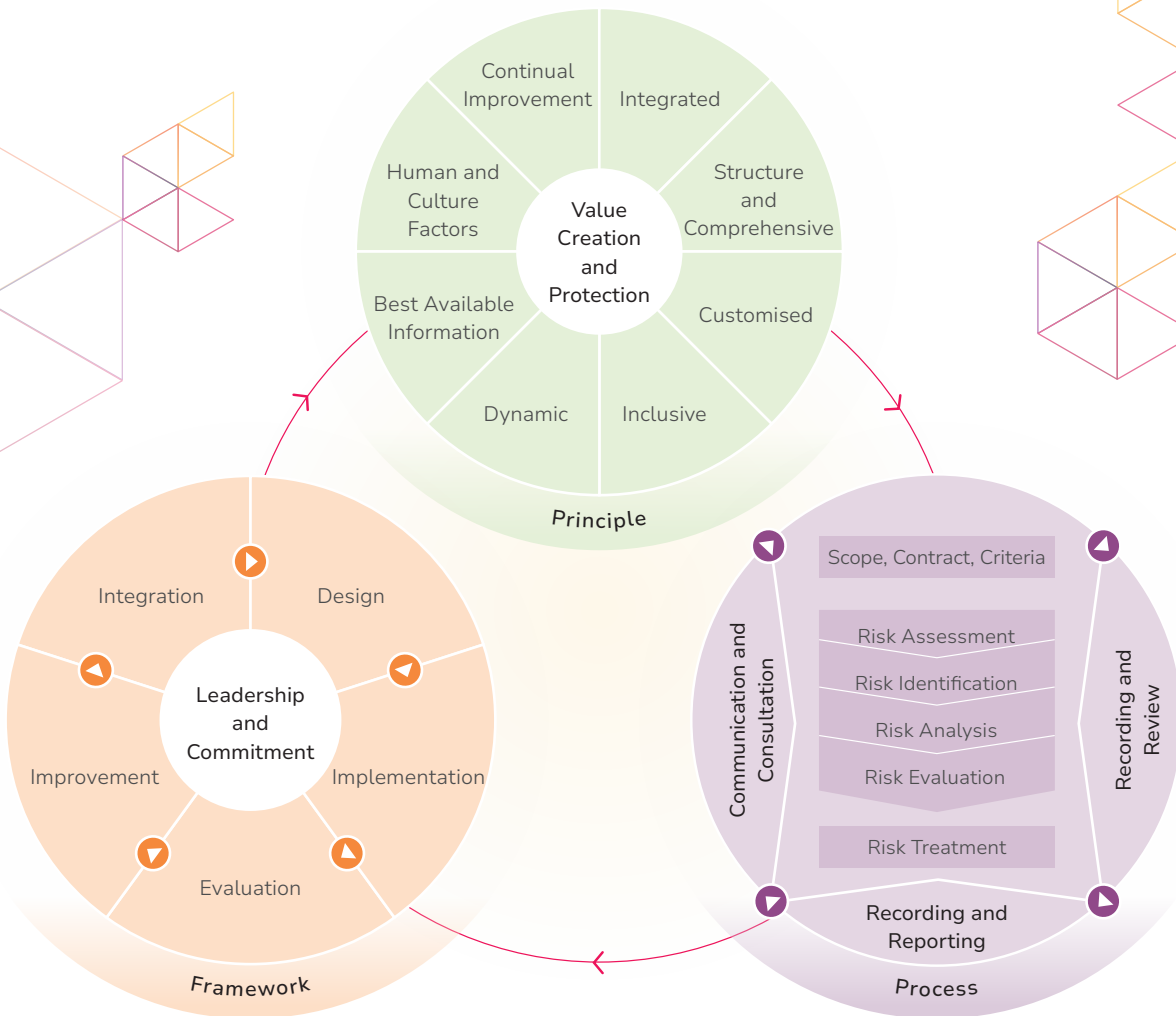
Committee/Functions	Roles & Responsibilities
Board of Directors (BoD) and Board Risk and Compliance Committee (BRCC)	<ul style="list-style-type: none"> ▶ Overall responsibility in establishing and overseeing a sound ERM practice as well as ensuring the adequacy and effectiveness of the ERM policy. ▶ Setting the "tone-at-the-top" to drive a "risk-conscious" culture throughout Dialog. ▶ Periodically reviewing and responding to significant risks faced by Dialog and providing reasonable assurance to ensure effective and efficient project deliverables. ▶ BRCC is a committee of the BoD which has the main responsibility of assisting the BoD in ensuring a sound and robust ERM practice throughout Dialog.
Risk and Compliance Management Committee (RCMC)	<ul style="list-style-type: none"> ▶ Reviewing and proposing the ERM policy to BRCC and BoD, and monitoring its implementation. ▶ Promoting a risk-based culture in daily operations and the decision-making process as an integral part of business practices at all levels. ▶ Reviewing the effectiveness of risk governance implementation, internal control, and processes. ▶ Reviewing and responding to significant risks escalated by Risk Owners, and assessing the adequacy and effectiveness of their treatment plans. ▶ Reviewing and escalating Dialog's key risks to BRCC and BoD, including SRROs and CRROs. ▶ Reviewing and proposing Dialog's Annual Plan and the Statement on Risk Management and Internal Control (SORMIC) to BRCC and BoD.
Group Chief Corporate Officer (GCCO)	<ul style="list-style-type: none"> ▶ Ensuring the implementation of a sound ERM practice across all portfolios, divisions, departments, business units, and functions within Dialog. ▶ Overseeing ERM activities throughout Dialog, including the allocation of resources and delegation of tasks. ▶ Periodically reviewing, monitoring, and reporting Dialog's significant risks to the Risk and Compliance Management Committee (RCMC), BRCC, and BoD, facilitated by DGRB.
Dialog Risk Management and Business Continuity (DGRB)	<ul style="list-style-type: none"> ▶ Continuously communicating, evaluating, and improving the ERM policy and related procedures in consultation with RCMC, considering industry standards, best practices, and compliance requirements. ▶ Promoting a "risk-conscious" culture and providing guidance to all stakeholders within Dialog on ERM governance, risk, and control issues. ▶ Facilitating risk assessment and monitoring the implementation of risk treatment plans. ▶ Providing consultation on risk assessment with Risk Owners and Risk Co-owners. ▶ Communicating and reporting to RCMC, BRCC, and BoD in a timely manner.

Committee/Functions	Roles & Responsibilities
<p>Risk Owners</p>	<ul style="list-style-type: none"> ▶ Assessing risks, implementing appropriate risk treatment plans, and monitoring those risks to an acceptable level. ▶ Compiling the risk profile and reporting to DGRB in a timely manner, including any risk issues that require urgent attention. ▶ Maintaining the highest alert on both internal and external environments and circumstances that may give rise to any risk issues or impacts on Dialog. Populating, updating, and reviewing the risk register at agreed intervals or as required based on criticality and urgency.
<p>Risk Co-Owners</p>	<ul style="list-style-type: none"> ▶ Providing support to risk owners on key risks identified and assisting in implementing risk treatment plans thereof. ▶ Engaging and discussing with risk owners on internal and external activities or circumstances during risk assessment and risk treatment process/procedures. ▶ Assisting risk owners to populate, update, and review the risk register at agreed intervals or as required based on criticality and urgency.
<p>Functional Risk Champions (FRCs)</p>	<ul style="list-style-type: none"> ▶ Acting as a Single Point of Contact (SPOC) to coordinate the implementation of every aspect of the ERM function within a portfolio, division, department, business unit, or function. ▶ Coordinating and supervising the risk assessment and risk treatment processes within the portfolio, division, department, business unit, or function. ▶ Periodically updating and maintaining the risk register/s of the portfolio, division, department, business unit, or function. ▶ Monitoring critical risk issues that require urgent attention within the portfolio, division, department, business unit, or function. ▶ Liaising with risk owners and/or risk co-owners on risk treatment plans within the portfolio, division, department, business unit, or function. ▶ Ensuring periodic communication, consultation, and meeting minimum reporting requirements to DGRB as per ERM key performance indicators (KPIs).
<p>Dialog Employee</p>	<ul style="list-style-type: none"> ▶ General responsibility to comply with and cooperate to implement the ERM policy and accompanying procedures as initiated by ERM Governance in creating a "risk-conscious" culture. ▶ Being conscious and escalating any risks that could surface from actions and decisions. ▶ Providing input and assistance to Risk Owners and/or Risk Co-owners during the risk assessment and risk treatment processes. ▶ Proactively engaging with risk owners and/or risk co-owners on internal and external activities or circumstances during risk assessment and risk treatment process/procedures.
<p>Dialog Internal Audit</p>	<ul style="list-style-type: none"> ▶ Assisting BoD in reviewing the effectiveness of the ERM function and internal control environment. ▶ Providing an independent opinion on specific risks and control issues, state of internal controls, trends, and events.

Risks and Opportunities

Risk Management Processes

Dialog has in place a comprehensive risk management process as set out below.



- a. Control environment: This is the set of standards, processes, and structures that provides the basis for carrying out internal control across Dialog. The Board of Directors (BoD), including the Board Risk and Compliance Committee (BRCC), sets the tone at the top regarding the importance of internal control, including expected standards of conduct. The Senior Leadership Team (SLT) reinforces these expectations at various levels of the organisation.
- b. Risk assessment: This involves a dynamic and iterative process for identifying, analysing, and evaluating risks in the pursuit of achieving targeted objectives.
- c. Control activities: These are actions taken to minimise risk through various mediums such as policies, procedures, techniques, and mechanisms. These activities help ensure the SLT's directives to mitigate risks in pursuit of targeted objectives are carried out.
- d. Information and communication: These are essential for Dialog to carry out responsibilities and support the achievement of objectives.
- e. Monitoring activities: Ongoing evaluations, separate evaluations, or a combination of the two are used to ascertain whether each of the five components of internal control, including controls to affect the principles within each component, are present and functioning.

Strategic and Investment Risk

Description	Primary risks that are strategic in nature and often involve a major factor in determining Dialog's worth; risks that could significantly impact the Company's strategic activities, decision making and its achievement of business objectives; and risks that should be predicted or monitored by the senior leadership team as part of strategic planning and a review mechanism.
Mitigating Actions and Opportunities Arising	<ul style="list-style-type: none"> • Network congestion and service quality challenges continue to pose a strategic risk, as network-related issues can negatively impact customer experience and brand perception. Persistent service disruptions contribute to increased customer churn and unfavourable market sentiment, ultimately leading to higher bad debts and revenue leakage. To address this, a site-wise network upgrade programme is currently in place, with closer collaboration between the Network and Analytics teams planned to develop a more targeted and effective upgrade strategy. • Financial instability among inner-circle business partners presents a risk to the Small Office / Home Office (SOHO) segment and Government (GOV) regional operations. Ineffective channel management by Business Partners can hinder SME market leadership ambitions and slow the expansion of the Government customer base. As an existing control, evaluations have assessed the feasibility of transitioning these operations to franchise outlets, while parallel action plans include identifying and onboarding alternative Business Partners to ensure continuity and growth.
Key Risk Indicators	<ul style="list-style-type: none"> • Customer churn rate (%), especially data-heavy segments • Bad debt ratio- high-churn customer segments • Customer Satisfaction Index (CSI) trends • Business Partner (BP) revenue contribution variance (%) • Channel productivity per BP (connections or revenue per outlet) • SME customer acquisition growth rate vs target
Changes in 2025	<p>Towards network congestion and customer experience risk, proactive network analytics and targeted site upgrades improved service quality, reducing churn and bad debt risk.</p> <p>On financial instability of BP impacting SOHO and GOV Operations, enhanced monitoring and alternative partner strategies strengthened channel resilience and supported SME and GOV growth.</p>

Geo-Political Risk

Description	Risk that relates to any political changes or instability in a country such as a change in government, legislative bodies, other foreign policymakers or military control that may impact Dialog's investment returns or impacting business operations.
Mitigating Actions and Opportunities Arising	This is an inherent risk where a single entity has little impact to mitigate the risk.
Key Risk Indicators	<ul style="list-style-type: none"> • Political Risk • Legislation Risk • US-China Trade Tensions, BRICS policy changes • Escalating tensions and armed conflicts globally have led to sanctions being imposed by global bodies such as the European Union.
Changes in 2025	Set out above in Mitigating Actions and Opportunities Arising

Risks and Opportunities

Legal and Regulatory Risk

Description	<p>Risk related to compliance with applicable laws and regulations; risk that may expose Dialog to legal penalties, failure to act in accordance with policies or best practices and integrity requirements.</p>
Mitigating Actions and Opportunities Arising	<ul style="list-style-type: none"> • Broad range of telco regulations • Compliance to applicable Fintech regulations • Potential increase in tax and levies imposed by the relevant regulatory bodies • Implementation of Data Protection legislation
Key Risk Indicators	<ul style="list-style-type: none"> • Exposure to Litigation • Exposure to Fines and/or Penalties • Exposure to Inquiry and/or Formal Warning • Exposure to Sustained Media Attention
Changes in 2025	<ul style="list-style-type: none"> • Escalating tensions and armed conflicts globally have led to sanctions being imposed by global bodies such as the European Union. Prohibitions on vendors directly / indirectly exporting or using technology supplied by them within sanctioned countries/regions have led to the Company being imposed with contractual obligations arising from such sanctions. Limited visibility or control over indirect sale/transfer/export/re-export to the sanctioned countries in certain limited situations. Group Supply Chain Management and the Operational teams are made aware of the sanctions and have been instructed to abide by the same so long as the relevant sanctions remain in place. • 5G spectrum was auctioned for the first time in Sri Lanka by the TRCSL on 18 December 2025. The auction was of 2 lots of 200MHz of spectrum in the 3500 MHz spectrum band and 2 lots of 400MHz of spectrum in the 27 GHz spectrum band. Dialog successfully won both auctions and secured 100 MHz in the 3500MHz spectrum band (3400 –3500 MHz) and 200 MHz (27200–27400 MHz) • On 09 May 2025, Dialog and DBN entered two supplementary investment agreements with the Board of Investment of Sri Lanka by pledging a cumulative investment of USD 100 Mn (USD 81 Mn by Dialog and USD 19 Mn by DBN) over a period of 3 years.

Market Risk

Description	<p>Risk associated with the market and the country that Dialog is operating in, which may also include risk related to industry and competition.</p>
Mitigating Actions and Opportunities Arising	<ul style="list-style-type: none"> • Dialog faces market risk from customers migrating to Airtel, driven by affordability concerns and inflation, which could reduce average revenue per user and impact overall Group revenue. To mitigate this, Dialog ensures that Airtel and Dialog packages are not directly comparable and restricts Airtel package activation for Dialog customers at major channels, while continuously monitoring customer movement between the two networks. • Number portability further increases the risk of customer churn, particularly for business segments where Dialog is the market leader. Existing controls include targeted upselling initiatives in non-dominant markets and retention programmes where Dialog leads, with ongoing strategies being developed to balance offensive (“Attack”) and defensive measures to maintain market share. • The launch of Speed Booster carries the risk of not achieving forecasted traction if customers fail to perceive the product’s value, potentially leading to lower-than-expected revenue. Current action plans focus on maximising revenue through complementary packages to offset any shortfall and capture additional value from the market.

Key Risk Indicators	<ul style="list-style-type: none"> • Net customer movement between Dialog and Airtel • Inflation-adjusted affordability index • Number portability (MNP) churn rate • Business segment churn rate vs market average • Net additions / losses in enterprise and SME segments • Customer usage intensity post-activation • Conversion rate from base packs to Speed Booster
Changes in 2025	<ul style="list-style-type: none"> • Package differentiation controls and restrictions on Airtel package activation for Dialog customers across major channels have been implemented to limit customer migration and protect ARPU. • Targeted upsell initiatives in non-leading segments and strengthened retention programmes in market-leading segments have been implemented to mitigate churn arising from number portability. • Revenue mitigation actions have been implemented by prioritising higher-value alternative data packs to offset lower-than-expected Speed Booster adoption.

Financial Risk

Sri Lanka is emerging out of a socio-economic crisis which saw forex liquidity drying up in tandem with foreign reserves depleting and inflation skyrocketing, followed by interest rates being raised to unprecedented levels, using it as a tool to lower inflation. The sizable dependency of foreign exchange for Capex, Opex and Debt Servicing exposes the business to foreign currency risk, whilst the sizable debt portfolio leads to risk exposure on interest rates. Whilst the economy is making a strong recovery as witnessed by all key macro indicators, the risks could amplify in the event there is a relapse in the economy.

The impact of this is significant as we emerge from the crisis and can include the following:

- Any sharp depreciation of the exchange rate can lead to forex losses albeit at a much lesser magnitude due to sharp reduction in net forex exposure of the Group over FY2023 and FY2024 by approximately USD 200Mn.
- The interest rate increase can have an impact on the finance cost due to the sizable debt portfolio.
- Any significant impact via higher forex loss or finance cost could result in depleting retained earnings translating to stress on covenants compliance.

Description	Financial risk encompasses risk associated with financial management of the Dialog Axiata Group; risk that compromises the stability of the Dialog's financial position given its exposure to a variety of treasury risks and other financial risks including liquidity risk, currency risk, interest rate risk and credit risk.
Mitigating Actions and Opportunities Arising	<ul style="list-style-type: none"> • Proactive monitoring of market developments and continuous engagement with financiers to identify and pre-emptively implement mitigating measures. This included constant tracking of interest rate trends, forex movements, forward premiums and overall market liquidity to ensure timely decision-making. • Periodic reviews of the Group's balance sheet and capital structure, with close monitoring of leverage levels and the extent of foreign currency exposure, enabling early identification of potential risks and opportunities. • Strict implementation and monitoring of the Group's capital structure guardrails, including leverage ratios, the mix of local and foreign currency debt, hedging of foreign currency exposures where available, and the balance between fixed and floating interest rate debt. • In anticipation of the interest rate environment bottoming out, the Group proactively locked in long-term fixed interest rate borrowings at relatively low levels. This ensured that a meaningful portion of the debt portfolio remained on fixed interest rates, thereby significantly mitigating potential volatility from future interest rate movements.

Risks and Opportunities

	<ul style="list-style-type: none"> Opportunistically entering into currency forward contracts as the forward market re-activated, thereby mitigating balance sheet forex exposure. The timely execution of these forward contracts resulted in positions that were in-the-money by the end of the financial year. Maintaining sizable committed banking facilities and unutilised credit limits with financial institutions, providing the Group with sufficient liquidity buffers and financial flexibility to withstand potential market disruptions or crisis scenarios.
<p>Key Risk Indicators</p>	<ul style="list-style-type: none"> Funding risk: Ability to tap the debt capital markets or obtain new funding facilities from financial institutions Liquidity risk: Ability to meet Dialog's financial and non-financial obligations despite cashflow constraints if any Forex risk: Exposure to foreign currency volatilities mainly stemming from LKR/USD currency pair Interest rate risk: Adverse change in market interest rates, which may result in higher finance cost
<p>Changes in 2025</p>	<ul style="list-style-type: none"> Proactive and pre-emptive solutioning to limit net forex exposure on balance sheet via USD debt settlement/prepayment, aggressive USD denominated payable settlement and USD cash build up and entering of currency forward contracts. Net forex exposure was lowered by ~USD10 Mn by end FY2025 via the combination of these effort. Debt portfolio was maintained with a skew towards floating interest rate loans as the market interest rates were perceived to be lowered during the year. This translated to a sizable interest cost saving during the year as the rates continued the declining trajectory as anticipated. Active negotiation with lending institutions to lower fixed interest rates on existing loans, taking into account the declining interest rate environment. An estimated interest cost saving of over Rs. 300 Mn was achieved via this action. Foreign currency denominated debt was lowered to USD 18 Mn by end FY2025

People Risk

<p>Description</p>	<p>People Risk refers to the potential challenges faced by Dialog Axiata PLC in managing its human capital effectively, including risks arising from vacancies in specialised or critical roles, leadership and capability readiness gaps, talent retention pressures, non-compliance with governance and ethical standards, and occupational health and safety concerns. These risks may be further influenced by changes in operating models, evolving skill requirements, and employee well-being expectations. If not proactively managed, People Risk could impact business continuity, operational performance, regulatory compliance, and the Company's ability to sustain a high performance culture aligned with its strategic objectives.</p>
<p>Mitigating Actions and Opportunities Arising</p>	<ul style="list-style-type: none"> Strengthening succession planning and internal talent development programmes to build leadership readiness and reduce dependency on external hiring. Leveraging people data, analytics, and engagement insights to proactively identify attrition drivers and design targeted retention and development interventions. Maintaining a robust policy governance framework, with regular reviews and awareness initiatives to ensure alignment with regulatory requirements and industry best practices. Implementing knowledge transfer mechanisms and structured documentation practices to mitigate the risk of critical knowledge loss. Embedding the Axiata Winning Culture through role modelling, culture champions, and leadership accountability. Conducting regular health and safety audits, supported by training and resources to ensure a safe and healthy work environment for employees

Key Risk Indicators	<ul style="list-style-type: none"> • Succession Plan for Key Roles • Employee Engagement Index (EEI) • Key Talent Attrition
Changes in 2025	<ul style="list-style-type: none"> • Enhanced internal talent development programmes to systematically prepare employees for future leadership roles, reinforcing a sustainable leadership pipeline and a culture of growth and retention. • Re-evaluation of external collaborations and partnerships to ensure stronger alignment with strategic capability building and talent priorities under the new operating model. • Targeted and strategic talent mobility for senior level and critical roles, using a more focused and customised approach to optimise leadership deployment across the Group. • Stronger alignment and reinforcement of employee adherence to key governance frameworks such as the Code of Conduct and Conflict of Interest, ensuring ethical behaviour and compliance with best practices. Continued health and safety audits, supplemented by structured analysis of employee feedback and incident data to inform mitigation planning and identify targeted training and well-being interventions.

Operational Risk

Description	Risks associated with Dialog's core business operations i.e. telecommunication, digital businesses and infrastructure, etc; risks that may impact the expected business objectives, earnings, and returns on investment; and risk resulting from inadequate or failed internal processes, people and systems, or from external events that may disrupt the day-to-day business operations.
Mitigating Actions and Opportunities Arising	<ul style="list-style-type: none"> • Business Operations Risks (Critical) • Business Operations Risks (Non-Critical) • No Resilience - Key IT Systems. • Impact to Supply Chain from global macro factors, • Communication and stakeholder-related risks arise from changing expectations, regulatory developments, and the need for consistent messaging across key audiences, including customers, employees, regulators, investors, and partners. To mitigate these risks, we ensure clear, transparent, and proactive communication, aligning our messaging across all platforms while continuously monitoring stakeholder sentiment and concerns. A structured communication strategy and crisis response framework enable us to address issues swiftly and maintain strong relationships. • To mitigate this, we proactively monitor online (using social listening tools and manual searches) and offline channels (using a media monitoring agency), enabling timely detection and response through a structured crisis communication process.
Key Risk Indicators	<ul style="list-style-type: none"> • Online Negative Sentiments - Negative sentiment on digital platforms, whether driven by misinformation or malicious intent, can pose a risk to Dialog's reputation by undermining customer trust and loyalty. False narratives may emerge with the intent to mislead or damage brand perception.
Changes in 2025	<ul style="list-style-type: none"> • Following Cyclone Ditwah, around 2,200 of the 6,000 network sites were affected. The network was fully restored within seven days through close collaboration with public institutions and disaster response agencies. • A commitment of USD 250 million has been made over the next three years to enhance climate-resilient infrastructure, alongside Rs. 420 million allocated to national rebuilding efforts, supporting healthcare and education facilities in impacted communities.

Risks and Opportunities

Cybersecurity and Data Privacy Risk

<p>Description</p>	<p>Primary risks that are strategic in nature and often involve a major factor in determining Dialog's worth; risks that could significantly impact the Company's strategic activities, decision making and its achievement of business objectives; and risks that should be predicted or monitored by the senior leadership team as part of strategic planning and a review mechanism.</p>
<p>Mitigating Actions and Opportunities Arising</p>	<ul style="list-style-type: none"> • Ensure robust protection and readiness to respond to cyber-attacks stemming from geopolitical conflicts. • Implement a comprehensive cybersecurity strategy to enhance overall maturity and resilience, and measure progress against the NIST Cybersecurity Framework 2.0, Zero Trust Security Framework, ISO 27001:2022, and ISO 27701:2019 Cyber Security and Data Privacy Frameworks. • Certified in ISO 27017:2015 and ISO 27018:2019 for the Dialog enterprise cloud ensuring the security and privacy protection of the customers' data. Planning to expand the certification for all the data centres in 2026. • Conducted independent benchmark and maturity reviews to validate the effectiveness of cybersecurity and Data Privacy measures. • Implement a secure software development lifecycle procedure and supporting technology to ensure all the developed software is securely coded. • Strengthen detection, response, and offensive security capabilities. • Improve situational awareness and resilience through collaborative efforts between public and private sectors. • Address identified telecom infrastructure risks through independent assessments. • Align subsidiaries with common KPIs to collaboratively achieve Group objectives. • Implement and maintain baseline cybersecurity and Data Privacy controls by modernising security event monitoring and data analytics platforms. • Enhance internal cybersecurity and Data Privacy capabilities to increase overall resilience against potential threats. • Conduct cyber-attack simulations and penetration testing to identify vulnerabilities and improve incident response preparedness. • Integrate advanced analytics and threat intelligence to gain insights into emerging threats and proactively adapt defences. • Actively participate in public-private partnerships with government agencies to address regional cyber threats, promote knowledge sharing, and leverage the expert capabilities of the cybersecurity team. • Implement privacy control gate points to enhance the data privacy control maturity of subsidiaries. • Research emerging technologies such as AI, and ML, and develop relevant security controls to effectively manage associated risks. This proactive approach ensures security while leveraging technological advancements for innovation and competitiveness. • Employee Training and Awareness provides comprehensive cybersecurity and data privacy training to employees, and vendors to help recognise and respond to potential threats.

Key Risk Indicators	<ul style="list-style-type: none"> ● Cybersecurity and Data Privacy Framework Maturity <ul style="list-style-type: none"> ● Remediation of critical and high vulnerabilities. ● Training completion and simulation results. ● Compliance with applicable laws and regulations. ● Percentage of vendors with high residual risk. ● Threat to Service Levels and/or Quality ● Mean Time to Respond (MTTR) <ul style="list-style-type: none"> ● Detection and response time for critical and high-priority security incidents and privacy breaches. ● Sustained, Unattended Threats/ Vulnerabilities ● Privacy by Design <ul style="list-style-type: none"> ● Data Minimisation ● Access Control ● Data Retention ● Privacy Impact Assessments ● User Consent Management ● Third Party Risk Management ● Compliance with Regulations
Changes in 2025	<ul style="list-style-type: none"> ● Proactive management of Access Control ● Supply chain security risk from third party vendors/suppliers. ● Increase sophistication of Cyber Attacks due to emerging technologies. ● Mitigating risks arising from unresolved vulnerabilities.

Technology Risk

Description	<p>Primary risks that are strategic in nature and often involve a major factor in determining Dialog's worth; risks that could significantly impact the Company's strategic activities, decision making and its achievement of business objectives; and risks that should be predicted or monitored by the senior leadership team as part of strategic planning and a review mechanism.</p>
Mitigating Actions and Opportunities Arising	<p>Network Architecture and Redundancy</p> <ul style="list-style-type: none"> ● Strengthening disaster recovery and redundancy controls to eliminate single points of failure across critical platforms. ● Distributing BSC capacity across multiple core locations to reduce site dependency risks. ● Enhancing roaming resilience through dual SCCP gateways and multi-vendor SS7 connectivity. ● Establishing additional isolated building entry paths for core network nodes. ● Introducing backup connectivity and bandwidth upgrades for critical VLL circuits. ● Building redundancy in Transmission network and Power systems to eliminate coverage isolation of area. <p>Infrastructure Modernisation</p> <ul style="list-style-type: none"> ● Continuing 4G and FTTX expansion to support capacity growth and mitigate delays in 5G spectrum availability. ● Migrating legacy hardware platforms to virtualised environments to reduce end-of-support risks. ● Modernising high-failure network components to improve reliability and service continuity. ● Replacing aging cooling systems with more reliable DX-based solutions.

Risks and Opportunities

	<p>Data Centre and Site Resilience</p> <ul style="list-style-type: none"> Enhancing flood protection and relocating vulnerable infrastructure at high-risk locations. Strengthening environmental safeguards, generator positioning, and site protection measures at sites <p>Spare Management and Disaster Readiness</p> <ul style="list-style-type: none"> Defining minimum stock levels for critical systems. Including spare requirements in procurement of BOQs for future network expansions. Optimising the utilisation of project hardware reserves to maintain disaster recovery readiness. <p>Platform Reliability and Backup</p> <ul style="list-style-type: none"> Expanding storage capacity to support VM snapshot backups for hosted applications. Implementing backup storage solutions for critical platforms including network protection systems. <p>Operational Continuity</p> <ul style="list-style-type: none"> Establishing regional emergency work locations with adequate power and network access. Ensuring reliable operational access paths for engineering teams during disaster scenarios. <p>Security and Access Governance</p> <ul style="list-style-type: none"> Deploying Privileged Access Management controls to secure administrative accounts. Automating telecom user lifecycle processes through User Access Management systems. <p>Service Stability</p> <ul style="list-style-type: none"> Migrating TV channel reception to IP-based feeds to mitigate interference risks associated with evolving radio technologies.
<p>Key Risk Indicators</p>	<ul style="list-style-type: none"> Percentage of critical systems with tested redundancy / DR capability Network availability and service uptime levels Mean Time to Restore for major incidents Compliance with minimum spare stock levels Percentage of infrastructure running on supported platforms Completion of progress of resilience and modernisation initiatives

Governance Risk

<p>Description</p>	<p>Risk that is associated with upholding and adopting good governance practices in ensuring operational excellence which may include non-compliance to policies, procedures, processes, and internal controls.</p>
<p>Mitigating Actions and Opportunities Arising</p>	<ul style="list-style-type: none"> Dialog has CXO Portfolios directly working on improving governance to manage this key risk. It is underpinned by a comprehensive framework of policies which provide guidance to relevant employees on managing the day-to-day affairs of the Company. A comprehensive Anti-Bribery and Anti-Corruption (ABAC) programme reinforces the tone set at the top by the Board. The Company has achieved a completion rate of 97.6% on ABAC training and awareness across DAP and its subsidiaries, reflecting our commitment to the implementation of the ABAC policy throughout the organisation. Cybersecurity forms a key component of IT governance and it is vital that all employees take responsibility for safeguarding the Company from potential cyber threats. As this is a critical threat, we completed 100% of the annual cybersecurity programme for our staff. The independent Internal Audit Department monitors compliance with a range of policies, providing assurance to the Board via the Audit Committee that the policy framework set in place by the Board is functioning effectively.

- Additionally, the Company has automated compliance monitoring processes which include the following:
 - The Company maintains a Corruption Risk Register where specific employees are assigned from each department to update corruption risks relevant to their area of work for Centralised Reporting
 - Compliance Training on Anti-Bribery and Anti-Corruption (Mandatory) including Gifts, Donations and Sponsorships for employees and subsidiaries
 - Training for identified High Risk Functions/Divisions
 - Training for regional offices
 - Suppliers/ vendors/ business partners awareness sessions on ABAC
- The Company communicates regularly on compliance and has the following mechanisms in place to provide regular updates. These include:
 - Monthly Electronic Direct Mails (EDMs) on ABAC-related subjects for employees and subsidiaries
 - Dedicated ABAC email address for communications

Key Risk Indicators

- Non-compliance/ breach/ deviation from Group's governance policy instruments

Changes in 2025

- Dialog commenced work towards ISO 37001 certification for Anti-Bribery Management Systems in 2024 and, following internal and external audits, obtained certification in 2025, becoming the first company in Sri Lanka to be ISO 37001:2016 certified for Anti-Bribery Management Systems. The certification reflects the Group's commitment to ethical business practices, effective bribery risk management and compliance with global anti-bribery regulations. It further reinforces Dialog's zero-tolerance approach to Anti-Bribery and Anti-Corruption (ABAC) through a comprehensive ABAC programme, strengthened internal controls and mandatory employee training, while enhancing transparency, accountability and stakeholder confidence across the organisation. For further details, please visit <https://dialog.lk/news/dialog-takes-the-lead-in-anti-bribery-governance-with-iso-37001-certification?language=en>
- Dialog is recognised in the global business world as a company that takes anti-corruption seriously
- Dialog was invited to join the United Nations Global Compact (UNGC) on the Conference of State Parties (COSP) Private Sector Forum and is one of its founding members. For further details, please visit https://www.unodc.org/corruption/en/news/2025-12-16_unodc-and-un-global-compact-showcase-ai-innovation--and-global-collaboration.html
- Dialog introduced a Sanctions Compliance Policy due to ongoing global sanctions imposed on many countries, entities and individuals.

Risks and Opportunities

ESG Risk

<p>Description</p>	<p>Risk that encompasses ESG risks including environment risk, social risk, climate change risk, transition risk, physical risk, carbon pricing policies risk.</p>
<p>Mitigating Actions and Opportunities Arising</p>	<p>Environmental Risk</p> <ul style="list-style-type: none"> ● As our operations require significant amounts of energy, Dialog needs to be conscious of its impacts on climate change. Accordingly, the following measures were implemented to mitigate this risk: <ul style="list-style-type: none"> ● 3 new solar sites, 2 solar capacity enhancements, off grid to grid conversion in 14 sites were done in 2025 with an estimated cost saving of Rs. 70.7 Mn. ● Group facilities continuing with walkthrough audits to reduce usage. ● Ensuring non-operation of generators after regular working hours. ● As a telecom operator, our operations give rise to significant quantities of e-waste which needs to be disposed in a responsible manner. Accordingly, the following mitigating actions have been implemented: <ul style="list-style-type: none"> ● E-waste, storage of volatile materials, Biodiversity and General Waste Management ● 668 tons of e-waste was collected internally year-to-date. ● 3,740 kg of e-waste was collected through the external programme (e-Kunu Project) during the year. ● Waste inventory being developed by the Supply Chain Management team to reduce waste at source, with 100% of the waste recycled. ● BCM activities have been developed taking all potential climate-related risks into consideration. ● In 2025, the social license granted to Dialog Axiata evolved from a commitment to societal equity into a mandate for national resilience following the catastrophic impact of Cyclone Ditwah. While our 2024 initiatives laid the groundwork for addressing systemic inequalities through platforms like Govi Mithuru and Nenasa, the past year required a fundamental shift toward disaster response and reconstruction. Our role transitioned from a service provider to a critical pillar of Sri Lanka's national recovery framework, as we mobilised over Rs. 420 million toward the 'Rebuilding Sri Lanka' initiative. By prioritising the restoration of vital healthcare infrastructure in devastated regions - including the reconstruction of hospitals in Chilaw and Puttalam - we demonstrated that our success is inseparable from the physical and digital safety of the communities we serve.
<p>Key Risk Indicators</p>	<ul style="list-style-type: none"> ● Threat of pollution, emissions, biodiversity ● Threat of public conce, outcry ● Threat of breach of policy, framework
<p>Changes in 2025</p>	<p>In 2025, sustainability-related risk management strengthened through measurable climate transition actions, including expanded renewable energy adoption and tighter operational energy controls, reducing exposure to energy cost volatility and carbon-related risks. Environmental and supply chain risks were further mitigated through enhanced e-waste governance and integration of climate-related risks into Business Continuity Management. Social and stakeholder-related risks were addressed through strengthened national resilience and disaster response initiatives, supporting operational continuity and long-term value preservation.</p>

Climate-Related Risks

As described above, Dialog sees climate change as both a risk and an opportunity and are acting with urgency to contribute to the country's transition to a low carbon economy. The adoption of SLFRS S1 and S2 this year resulted in strengthening our own processes to identify, assess, manage, mitigate and report on climate risks.

Assets at risk are as follows:

Dialog Axiata PLC (DAP)			
	Asset category	Amount (Rs.)	Percentage of total assets
1	Towers	11,229,933,011.06	3.15%
2	Data Centres	932,750,054.49	0.26%
3	Underwater cables	15,075,575,245.88	4.22%
Dialog Broadband Networks (Private) Limited (DBN)			
	Asset category	Amount (Rs.)	Percentage of total assets
1	Towers	1,190,399,709.26	0.93%
2	Data Centres	2,620,140,984.12	2.05%
3	Underwater cables	-	-
Total			
	Asset category	Amount (Rs.)	Percentage of total assets
1	Towers	12,420,332,720.32	2.56%
2	Data Centres	3,552,891,038.61	0.73%
3	Underwater cables	15,075,575,245.88	3.11%

Extreme Weather Events

Description	Floods and storms, which are the most common extreme weather events can damage physical infrastructure such as towers, cables and power systems, leading to service disruptions.
Type of Risk	Physical Risk - Acute
2025 Effects on	While the network did suffer some damage, these did not result in write downs of assets as they were restored with costs recorded in repairs and maintenance. However, as this is the first year of implementation, we have not recorded the amount related to extreme weather events separately to disclose it accurately.
1. Cashflows 2. Financial performance 3. Financial position	
Significant risk of material adjustment to the carrying amounts of assets and liabilities in next annual period	There is no impact to the carrying of assets or liabilities.
Short, Medium and Long-Term impacts on:	Extreme weather events can increase uncertainty and risk for businesses, making it more challenging to secure financing. Lenders may become more cautious, leading to stricter lending criteria and higher interest rates.
1. Access to finance 2. Cost of capital	Increased risk associated with extreme weather events can lead to higher costs of capital. Investors may demand higher returns to compensate for the increased risk, raising the cost of equity and debt for affected businesses.

Risks and Opportunities

3. Cashflows	Adverse weather conditions can disrupt business operations, leading to reduced sales and increased costs. This can result in lower cash flows and potential financial distress for businesses
4. Financial performance	Extreme weather events can negatively impact a company's financial performance by causing physical damage to assets, disrupting supply chains, and reducing consumer demand. This can lead to lower revenues and higher expenses.
5. Financial position	The overall financial position of a business can be weakened by extreme weather events due to reduced asset values, and higher costs of recovery and adaptation.

Sea-level Rise

Description	The rise in sea level is a gradual but persistent change that poses various challenges for coastal regions around the world including the Indian Ocean. This is largely the result of increased greenhouse gas emissions from human activities, such as burning fossil fuels, deforestation, and industrial processes.
Type of Risk	Chronic Physical Risk
2025 Effects on	While the network may have suffered some damage, these did not result in write downs of assets as they were restored with costs recorded in repairs and maintenance. However, as this is the first year of implementation, we have not recorded the amount related to rising sea levels separately to disclose it accurately.
1. Cashflows	
2. Financial performance	
3. Financial position	
Significant risk of material adjustment to the carrying amounts of assets and liabilities in next annual period	None anticipated at present.
Short, Medium and Long-Term impacts on:	There maybe difficulties in raising finance for high value infrastructure located in the sea or in close proximity.
1. Access to finance	
2. Cost of capital	The increased risk associated with sea-level rise can lead to higher costs of capital as Investors may demand higher returns to compensate for the increased risk, raising the cost of equity and debt for Dialog.
3. Cashflows	Sea-level rise can disrupt operations, particularly in coastal areas where infrastructure might be damaged or require relocation. This can lead to increased costs and reduced revenues, negatively impacting cash flows.
4. Financial performance	Physical damage to assets and disruptions in operations due to sea-level rise can lead to higher expenses and lower revenues which can subdue profitability.
5. Financial position	The overall financial position of Dialog can be negatively impacted by sea-level rise due to reduced asset values, and higher costs of recovery and adaptation.

Rise in Temperature

Description	Rising temperatures, often referred to as global warming, are primarily caused by the increase in greenhouse gases such as carbon dioxide, methane, and nitrous oxide in the atmosphere.
Type of Risk	Chronic Physical Risk
2025 Effects on	As this is the first year of implementation, we have not recorded the losses directly related to rise in temperatures separately to disclose it accurately.
1. Cashflows 2. Financial performance 3. Financial position	
Significant risk of material adjustment to the carrying amounts of assets and liabilities in next annual period	None anticipated at present.
Short, Medium and Long-Term impacts on:	Higher temperatures can increase the risk of physical damage to infrastructure and disrupt operations, making lenders more cautious. This heightened risk may lead to stricter lending criteria and higher interest rates, making it more challenging for Dialog to secure financing.
1. Access to finance	
2. Cost of capital	The increased risk associated with rising temperatures can lead to higher costs of capital. Investors may demand higher returns to compensate for the increased risk, raising the cost of equity and debt for Dialog.
3. Cashflows	Rising temperatures can disrupt operations, particularly in regions where extreme heat affects productivity and increases operational costs. This can lead to reduced revenues and higher expenses, negatively impacting cash flows.
4. Financial performance	Higher temperatures can negatively impact financial performance by causing physical damage to assets, disrupting supply chains, and reducing consumer demand. This can lead to lower revenues and higher expenses.
5. Financial position	The overall financial position of Dialog can be weakened by rising temperatures due to increased liabilities, reduced asset values, and higher costs of recovery and adaptation.

Threat of Carbon Pricing Policies

Description	Potential risk of policies implemented to manage emissions which may include carbon taxes or cap and trade systems to drive more environmentally responsible behaviours and charge emitters for emissions.
Type of Risk	Transition Risk – Legal or Policy Risk
2025 Effects on	No impact
1. Cashflows 2. Financial performance 3. Financial position	
Significant risk of material adjustment to the carrying amounts of assets and liabilities in next annual period	None identified at present.

Risks and Opportunities

<p>Short, Medium and Long-Term impacts on:</p> <p>1. Access to finance</p>	<p>Both non-availability of such policies and implementation of such policies can pose barriers to accessing finance in the future as sentiments regarding climate change continue to change investment criteria.</p>
<p>2. Cost of capital</p>	
<p>3. Cashflows</p>	<p>Without carbon pricing, Dialog might not face immediate costs related to carbon emissions. However, this could result in missed opportunities for efficiency improvements and cost savings that come with sustainable practices. In the long run, this could negatively impact cash flows.</p>
<p>4. Financial performance</p>	<p>Introduction of carbon pricing is likely to have a negative impact on cashflows and financial performance in the short, medium and long-term.</p>
<p>5. Financial position</p>	<p>Impact on the financial position will largely stem from</p> <ol style="list-style-type: none"> the need to invest in new technologies that address emissions and the need to finance the same in the medium to long-term reduced profitability if carbon taxes or similar policies are implemented. write down of stranded assets as industries move to new technologies with lower emissions <p>It is unlikely to have an impact in the short-term given the current state of play.</p>
<p>Planned mitigating action</p>	<p>In alignment with the Net Zero roadmap, consider implementing a policy within the next five years</p>

Climate-Related Opportunities

The climate-related opportunities facilitate Dialog's transition to a low carbon economy, and the most significant ones are set out below.

Adoption of Clean Technologies

<p>Description</p>	<p>Clean technologies refer to products, services, and processes that use renewable materials and energy sources, reduce emissions and waste, and have a minimal impact on the environment. These technologies include renewable energy sources like solar and wind power, energy-efficient appliances, electric vehicles, and advanced recycling methods.</p>
<p>Type of Risk / Opportunity</p>	<p>Transition Risk – Technology Risk</p>
<p>2025 Effects on</p> <ol style="list-style-type: none"> Cashflows Financial performance Financial position 	<p>No impact</p>
<p>Significant risk of material adjustment to the carrying amounts of assets and liabilities in next annual period</p>	<p>None identified at present</p>
<p>Short, Medium and Long-Term impacts on:</p> <p>1. Access to finance</p>	<p>Investors and lenders are increasingly prioritising companies with strong environmental credentials. Adoption of clean technologies can make it more challenging for Dialog to secure financing from institutions that favour green investments.</p>

2. Cost of capital	The adoption of clean technologies can lead to reduced cost of capital as the risk profile of Dialog improves as it becomes more future ready.
3. Cashflows	While investments in clean technologies will require cash outflows, in the medium and long-term, it is anticipated that it can significantly increase cashflows. Increased cashflows from clean technologies can come from potential savings in energy costs and other operational costs as well as from additional streams of revenue. Reducing costs of clean technologies will also aid the transition.
4. Financial performance	Financial performance may be impacted by the write down of stranded assets if adoption of clean technologies is deferred for too long as disposal can become difficult. However, the potential upside is likely to result in a net gain in profitability after considering the inflows described above.
5. Financial position	Overall, the financial position is expected to strengthen in the medium to long-term. However, there may be potential declines in net asset values arising from the write down of stranded assets in the transition period which is expected to be short to medium-term.

Energy Efficiency and Resource Optimisation

Description	Energy efficiency and resource optimisation are crucial for a telecommunications company like Dialog Axiata PLC. These concepts involve using less energy to perform the same tasks and making the best use of available resources to minimise waste and environmental impact.
Type of Opportunity	Transition Risk – Technology and Regulatory
2025 Effects on	Energy efficiency and resource optimisation are crucial for a telecommunications company like Dialog. These concepts involve using less resources (including energy) to do more and making the best use of available resources to minimise waste and environmental impact.
1. Cashflows	
2. Financial performance	
3. Financial position	
Significant risk of material adjustment to the carrying amounts of assets and liabilities in next annual period	None anticipated at present.
Short, Medium and Long-Term impacts on:	Embracing energy efficiency and resource optimisation can enhance Dialog's reputation as a sustainable and forward-thinking company. This can make it more attractive to investors and lenders who prioritise environmental sustainability, improving access to finance. Additionally, it can access sustainable funding sources using instruments such as Green bonds and Sustainable bonds.
1. Access to finance	
2. Cost of capital	By adopting energy-efficient practices, Dialog can reduce operational risks and demonstrate long-term sustainability. This can lead to lower perceived risks for investors, potentially reducing the cost of capital as investors may accept lower returns for a more stable investment.
3. Cashflows	Implementing energy efficiency measures can lead to significant cost savings by reducing energy consumption and operational expenses. These savings can improve cash flows, providing more funds for reinvestment and growth.
4. Financial performance	Enhanced energy efficiency can improve overall financial performance by lowering operational costs and increasing profitability. Additionally, it can enhance the Company's competitive edge by positioning it as a leader in sustainability.
5. Financial position	The overall financial position of Dialog can be strengthened through energy efficiency and resource optimisation. Reduced liabilities, lower operational costs, and improved asset values contribute to a healthier balance sheet and stronger financial stability.

Risks and Opportunities

Transition to Renewable Energy

Description	The transition to renewable energy is crucial for a telecommunications company like Dialog. This transition involves shifting from traditional fossil fuels to renewable energy sources such as solar, wind, and hydropower, which are more sustainable and environmentally friendly.
Type of Risk	Transition Risk - Technology
2025 Effects on	2023 Rs. 2 Bn
1. Cashflows	2024 Rs. 4.47 Mn
2. Financial performance	Indoor outdoor conversion Rs. 904 Mn in 2024.
3. Financial position	2025 Rs. 3.48 Mn capex investment
Significant risk of material adjustment to the carrying amounts of assets and liabilities in next annual period	None anticipated
Short, Medium and Long-Term impacts on:	Dialog plans to continue solarisation for the prioritised location in align with the strategy plan. It will also explore the possibility of investing in power wheeling with country level policy implementation. This will enable it to access green funding sources, reducing its cost of capital by attracting sustainable investors and also through instruments such as green and sustainable bonds.
1. Access to finance	
2. Cost of capital	
3. Cashflows	Implementing renewable energy solutions can lead to significant cost savings by reducing energy consumption and operational expenses. These savings can improve cash flows, providing more funds for reinvestment and growth.

Nature-Related Risks and Opportunities Across Our Operations

Category	Type	Nature-Related Issue	Materiality	Potential Impact on Dialog	Mitigation and Response Strategy
Dependency	Physical (Chronic)	Water Supply	●	Data Centre Infrastructure: High dependence on freshwater for cooling; risk of operational downtime during droughts.	Retrofitting with air-cooling or closed-loop systems; set mechanisms in place to track regional water-stress.
Impact	Transition (Market)	Waste Generation	●	Consumer Electronics: Soil and water pollution from improper disposal of handsets and peripherals by the public.	Scaling Circular Economy via e-Kunu expansion to all franchise outlets islandwide to ensure safe recovery.
Impact	Physical (Acute)	Marine Habitat Disturbance	●	Undersea Cables: Physical disturbance to the seabed and marine ecosystems (e.g., coral reefs/seagrass) during cable laying and maintenance.	Strict adherence to marine spatial planning; identifying sensitive underwater habitats to minimise footprint during cable repair/deployment.

● Very High ● High ● Medium

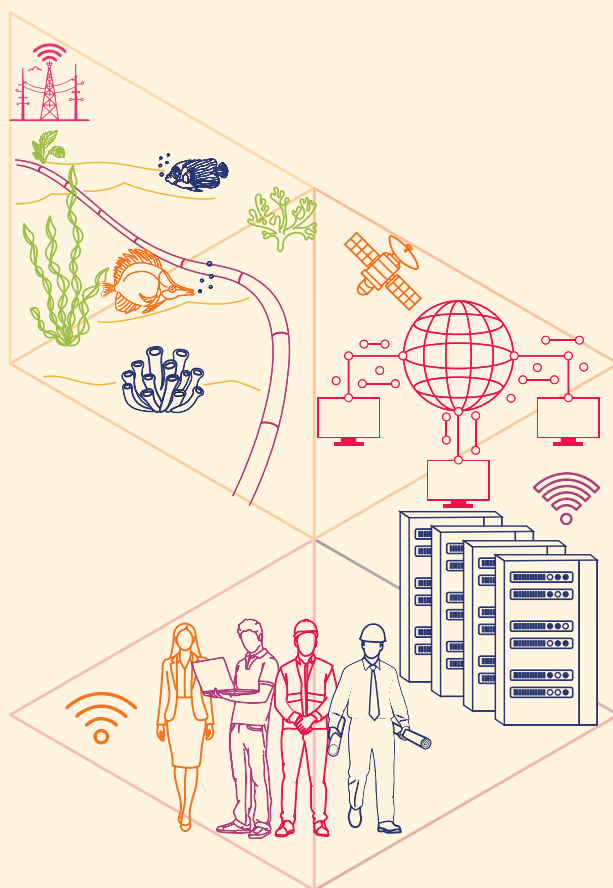
Category	Type	Nature-Related Issue	Materiality	Potential Impact on Dialog	Mitigation and Response Strategy
Impact	Physical (Chronic)	Land and Space Use	●	Telecom Infrastructure: Physical footprint in sensitive terrestrial habitats and migratory corridors.	Identify sites in high-priority nature zones (KBAs) and actively enhance the ecosystem through high impact reforestation conservation initiatives.
Impact	Physical (Chronic)	Energy Use and GHG	●	Internet / Media and Services: High carbon intensity and thermal output of 24/7 digital and data operations.	Deployment of over 1,000 solar-powered sites and energy-efficient hardware to reduce heat load and energy demand.
Impact	Transition (Reputation)	Solid Waste	●	Internet / Media and Services: Brand risk from downstream impact of server decommissioning and service hardware.	Scaling "Circular Economy" initiatives within the Company for certified end-to-end recycling and secure hardware disposal.
Impact	Transition (Policy)	Pollutants	●	Telecom Services: Risk of chemical leaks from backup power systems (Lead-acid and Lithium batteries).	Systematic recovery of hazardous batteries via responsible e-waste management transitioning to cleaner battery tech with higher recyclability.
Opportunity	Market / Resilience	Nature-Tech and Nature-based Solutions (NbS)	N/A	Brand and Operational Value: Revenue from transparent conservation tech and reduced OPEX via natural resilience.	Use of EcoMatcher platform for verified Public Engagement and B2B solutions in tree planting and digital environmental monitoring and investing in green infrastructure for asset protection.

● Very High ● High ● Medium

Catalysing Global Connectivity

Dialog continues to strengthen Sri Lanka's connection to the world through strategic investments in resilient digital infrastructure. The launch of the India-Asia-Xpress (IAX) submarine cable marks a significant milestone, enhancing international bandwidth, improving network reliability and future-proofing the nation's global connectivity.

By investing in infrastructure built for scale and continuity, we enable faster, more secure and uninterrupted data flows across borders, catalysing global connectivity and supporting Sri Lanka's position in an increasingly connected world.



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Annual Report of the Board of Directors for the year ended 31 December 2025

The Board of Directors ('the Board') of Dialog Axiata PLC ('DAP' or 'the Company') is pleased to present herewith the Annual Report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as 'the Group') for the financial year ended 31 December 2025.

This Annual Report of the Board on the affairs of the Company contains the information required in terms of the Companies Act, No. 07 of 2007 ('Companies Act') and the Listing Rules of the Colombo Stock Exchange (CSE) and is guided by recommended best practices.

FORMATION

The Company is a public limited liability company incorporated and domiciled in Sri Lanka and is listed on the CSE. The registered office of the Company is located at No. 475, Union Place, Colombo 2.

The Company was incorporated in Sri Lanka on 27 August 1993, under the Companies Act, No.17 of 1982, as a private limited liability company bearing the name MTN Networks (Private) Limited.

MTN Networks (Private) Limited changed its name to Dialog Telekom Limited on 26 May 2005 and was listed on the CSE on 28 July 2005. Pursuant to the requirements of the Companies Act, the Company was re-registered on 19 July 2007 and was accordingly renamed as Dialog Telekom PLC and bears registration number PQ38. Dialog Telekom PLC changed its name to Dialog Axiata PLC on 7 July 2010 in accordance with the provisions of Section 8 of the Companies Act. The Company and its subsidiaries have entered into a number of agreements with the Board of Investment of Sri Lanka ('BOI') and enjoy concessions under Section 17 of the BOI Act.

PRINCIPAL ACTIVITIES

The principal activities of the Group are to provide communication services (mobile, fixed, broadband, international gateway services), telecommunication infrastructure services (tower infrastructure and transmission services), media (digital television services based on multiple media - satellite, cable, terrestrial), digital services [including but not limited to digital commerce (mobile and eCommerce), electronic payments (including mobile payment), digital health, enterprise services and financial services], data centre services, manpower services, provision of IT services and venture capital investment activities.

FINANCIAL STATEMENTS

The financial statements which include the statements of financial position, statements of comprehensive income, statements of changes in equity, statements of cash flows and notes to the financial statements of the Company and the Group for the year ended 31 December 2025 are set out on pages 204 to 282.

INDEPENDENT AUDITOR'S REPORT

The independent Auditor's Report is set out on pages 199 to 203.

ACCOUNTING POLICIES

The financial statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standards, which comprise Sri Lanka Financial Reporting Standards ('SLFRS'), Sri Lanka Accounting Standards ('LKAS'), relevant interpretations of the Standing Interpretations Committee ('SIC') and International Financial Reporting Interpretations Committee ('IFRIC'). The significant accounting policies adopted in the preparation of financial statements are given on pages 211 to 225.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are responsible for preparing and presenting the financial statements of the Company and the Group to reflect a true and fair view of the state of affairs. The Directors are of the view that these financial statements have been prepared in conformity with the requirements of Sri Lanka Accounting Standards, the Companies Act and the Listing Rules of the CSE. The detailed statement of Directors' responsibility is included in page 198.

REVIEW OF BUSINESS

The state of affairs of the Company and the Group as at 31 December 2025 is set out in the statements of financial position on page 204. An assessment of the financial performance of the Company and the Group is set out in the statements of comprehensive income on page 206.

PROPERTY, PLANT AND EQUIPMENT

The movements in property, plant and equipment during the year are set out in note 8 to the financial statements.

RESERVES

The aggregate values of reserves and their composition are set out in the statements of changes in equity of the Company and the Group on pages 207 and 208 to the financial statements.

SUBSTANTIAL SHAREHOLDINGS

The parent company, Axiata Investments (Labuan) Limited, held 73.75% of the ordinary shares in issue of the Company at 31 December 2025. The main shareholders of the Company and the corresponding holding percentages are set out below:

Name of Shareholder	2025		2024	
	No. of shares	% Holding	No. of shares	% Holding
1 Axiata Investments (Labuan) Limited	6,785,252,765	73.75%	6,785,252,765	73.75%
2 Bharti Airtel Limited	952,694,689	10.36%	952,694,689	10.36%
3 Employees Provident Fund	237,424,082	2.58%	237,424,082	2.58%
4 Citibank Hong Kong S/A Hostplus Pooled Superannuation Trust	172,061,801	1.87%	148,192,628	1.61%
5 BBH Luxfidelity Funds-Pacific Fund	128,421,604	1.40%	128,421,604	1.40%
6 SSBT-Sunsuper PTY. LTD. as Trustee for Sunsuper Superannuation Fund	125,733,938	1.37%	113,229,230	1.23%
7 Citibank Newyork S/A Norges Bank Account 2	89,773,787	0.98%	18,063,421	0.20%
8 J.B. Cocoshell (Private) Limited	70,888,725	0.77%	63,601,750	0.69%
9 BBH - Fidelity Funds	53,560,648	0.58%	53,560,648	0.58%
10 Deutsche Bank Ag Trustee to Lynear Wealth Dynamic Opportunities Fund	33,874,313	0.37%	-	-

The percentage of shares held by the public as at 31 December 2025 was 15.85%, in the hands of 24,876 public shareholders (2024 - 15.82% in the hands of 23,895 public shareholders). The Float adjusted market capitalization as at 31 December 2025 was Rs. 43,452,194,732.

The Company is compliant with the Minimum Public Holding requirement under Option 1 of Rule 7.13.1(i) (a) of the Listing Rules of the Colombo Stock Exchange.

DIRECTORS

The Directors of the Company as at 31 December 2025 were;

Mr. David Nai Pek Lau (Chairman)
Mr. Supun Weerasinghe (Group Chief Executive Officer)
Mr. Willem Timmermans
Dr. Sharmini Coorey
Ms. Komathi Balakrishnan
Mr. Thomas Hundt
Mr. Visvanathamoorthy Govindasamy
Mr. Randeep Singh Sekhon
Mr. Vivek Sood

During the year under review, the following changes took place on the Board;

• Appointments to the Board:

Mr. Vivek Sood was appointed effective 16 January 2025.

• Resignations from the Board:

Dr. Hansa Wijayasuriya resigned effective 15 January 2025

Further, Mr. Thandalam Veeravalli Thirumala Chari, who was appointed as the Alternate Director to Mr. Willem Timmermans, for a period of one year with effect from 1 January 2025, ceased to hold office with effect from 31 December 2025.

• Re-election of Directors:

In accordance with the Articles of Association of the Company, Ms. Komathi Balakrishnan and Mr. Thomas Hundt retire by rotation and are eligible for re-election at the forthcoming Annual General Meeting.

Mr. David Lau Nai Pek who attained the age of 73 years on 07 November 2025, retires pursuant to Section 210 of the Companies Act and a resolution that the age limit of 70 years referred to in Section 210 of the Companies Act shall not be applicable to Mr. David Lau Nai Pek will be proposed at the forthcoming Annual General Meeting.

The names of the Directors eligible for re-election are included in the Notice of the Annual General Meeting.

INTERESTS REGISTER

The Company has maintained the interest register as required by the Companies Act. The names of the Directors who were directly or indirectly interested in a contract or a proposed transaction with the Company or the Group during the year were disclosed by the Directors and updated in the interests register.

REMUNERATION AND OTHER BENEFITS OF DIRECTORS

The remuneration and other benefits of the Directors are given in note 37 to the financial statements.

Annual Report of the Board of Directors for the year ended 31 December 2025

DIRECTORS' INTERESTS IN SHARES OF THE COMPANY

The details of shares held directly by the Directors and their spouses as at 31 December 2025 are as follows:

Name of Shareholder	No of Shares	
	2025	2024
Mr. Supun Weerasinghe	4,260,200	4,260,200

None of the Directors other than those disclosed above directly or indirectly held any shares of the Company.

AMOUNTS PAYABLE TO THE FIRM HOLDING OFFICE AS INDEPENDENT AUDITOR

The audit fees payable to the Auditors, Messrs Deloitte Partners Sri Lanka was Rs. 14.30 million (2024 - Rs. 12.75 million) and Rs. 33.11 million (2024 - Rs. 29.94 million) for the Company and the Group respectively. In addition to the above, Rs. 6.2 million (2024 - Rs. 1.2 million) and Rs. 7.8 million (2024 - Rs. 2.1 million) was payable by the Company and the Group for other permitted services.

STATED CAPITAL

The stated capital of the Company as at 31 December 2025 was Rs. 39,905,563,259 (2024 - Rs. 39,905,563,259) comprising 9,200,334,994 ordinary shares (2024 - 9,200,334,994 ordinary shares).

CORPORATE GOVERNANCE

The Directors place great emphasis on instituting and maintaining internationally accepted corporate governance practices and principles with respect to the management and operations of the Company and the Group, in order to develop and nurture long-term relationships with key stakeholders. The Directors confirm that the Company is compliant with the Listing Rules of the CSE on corporate governance.

RELATED PARTY TRANSACTIONS

There were no non-recurrent related party transactions entered into by the Company in which the aggregative value exceeded the lower of 10% of the equity or 5% of the assets as per 31 December 2025 audited financial statements, which require additional disclosure in terms of Rule 9.14.8 of the Listing Rules of the CSE on related party transactions. There were no recurrent related party transactions carried out during the financial year ended 31 December 2025, the aggregate value of which exceeded 10% of the revenue. Details of all related party transactions carried out during the year are disclosed in note 37 to the financial statements.

STATUTORY PAYMENTS

The Directors confirm that, to the best of their knowledge having made adequate inquiries from management, all taxes, duties, levies and statutory payments payable by the Company and its subsidiaries and all contributions, levies and taxes payable on behalf of and in respect of the employees of the Company and its subsidiaries as at the date of the statements of financial position have been duly paid, or where relevant provided for, except as disclosed in note 34 to the financial statements.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Directors are responsible for the Company's and the Group's system of internal controls covering financial operations and risk management activities and review its effectiveness, in accordance with the provisions of the corporate governance framework.

The Directors consider that the system is appropriately designed to manage the risk and to provide reasonable assurance against material misstatement or loss. The Directors further confirm that there is an on-going process to identify, evaluate and manage significant business risks.

ENVIRONMENTAL PROTECTION

The Company and the Group make every endeavor to comply with the relevant environmental laws, regulations and best practices applicable in the country. The Company's Environmental Management System was certified by the globally recognized ISO 14001: 2015 standards in July 2021 for its full scope of operations. This is reviewed and updated periodically by an international panel of experts. The Company became South Asia's first Quad-play Telecommunication Company (Mobile, Fixed, Media and Broadband) to achieve the same. After making adequate inquiries from management, the Directors are satisfied that the Company and its subsidiaries operate in a manner that minimizes the detrimental effects on the environment and provide products and services that have a beneficial effect on the customers and the communities within which the Company and the Group operate.

MATERIAL ISSUES

There were no material issues pertaining to employees and industrial relations.

DONATIONS

The total donations made by the Company and its subsidiaries during the year amounted to Rs. 452,365,841. (2024 - Rs. 33,908,311)

GOING CONCERN

The Directors are satisfied that the Company and the Group have adequate resources to continue its operations for the foreseeable future to justify adopting the going concern basis in preparing these.

INDEPENDENT AUDITOR

Messrs Deloitte Partners, Chartered Accountants, served as the independent Auditor during the year. The Directors are satisfied that, based on written representations made by the independent Auditor to the Board, they did not have any relationship or interest with the Company and its subsidiaries that would impair their independence and objectivity.

Messrs Deloitte Partners Sri Lanka, Chartered Accountants, have expressed their willingness to continue as the independent Auditor of the Company and the Group and a resolution to reappoint Messrs Deloitte Partners as independent Auditor will be proposed at the forthcoming Annual General Meeting.

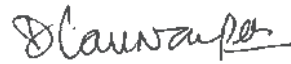
EVENTS AFTER THE REPORTING PERIOD

No other material events have occurred since the date of the statement of financial position which requires adjustments to or disclosures in the financial statements other than those disclosed in note 38 to the financial statements.

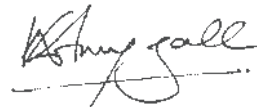
By Order of the Board



Mr. Supun Weerasinghe
Director



Mr. David Nai Pek Lau
Director



Ms. Viranthi Attygalle
Group Company Secretary

Colombo
18 March 2026

Statement of Directors' Responsibility for Financial Reporting

The responsibility of the Directors in relation to the financial statements of Dialog Axiata PLC ("the Company") and the Consolidated Financial Statements of the Company and its Subsidiaries and the Associates ("the Group") is set out in the following statement.

The responsibilities of the independent Auditor in relation to the financial statements prepared in accordance with the provisions of the Companies Act No. 07 of 2007 ('the Act'), are set out in the Independent Auditor's Report from pages 199 to 203. The financial statements comprise:

- the statements of financial position, which presents a true and fair view of the state of affairs of the Company and its subsidiaries as at the end of the financial year,
- the statements of comprehensive income, which presents a true and fair view of the comprehensive income and /or other comprehensive income of the Company and its subsidiaries for the financial year,
- the Statement of Changes in Equity,
- the Statement of Cash Flows,
- Notes to the Financial Statements.

In preparing these financial statements the Directors are required to ensure that:

- appropriate accounting policies have been selected and applied in a consistent manner and material departures, if any, have been disclosed and explained;
- all applicable Sri Lanka Accounting Standards (SLFRS / LKAS), as relevant, have been followed and are consistent with the underlying books of accounts;

- reasonable and prudent judgments and estimates have been made so that the form and substance of transactions are properly reflected;
- and information required by the Companies Act and the Listing Rules of the Colombo Stock Exchange has been disclosed.
- the companies within the Group maintain sufficient accounting records to disclose the financial position of the Group with reasonable accuracy.

The Directors are also required to ensure that the Company and its subsidiaries have adequate resources to continue their operations to justify applying the 'going concern' basis in preparing these financial statements. Further, the Directors have a responsibility to ensure that the Company and its subsidiaries maintain sufficient accounting records to disclose, with reasonable accuracy, the financial position of the Company and of the Group, to ensure that the financial statements presented comply with the requirements of the Companies Act. The Directors are also responsible for taking reasonable steps to safeguard the assets of the Company and its subsidiaries and in this regard to give proper consideration to the establishment, designation, implementation and maintenance of appropriate accounting and internal control systems with a view of preventing and detecting fraud and other irregularities relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are of the view that they have discharged their responsibilities as set out in this statement.

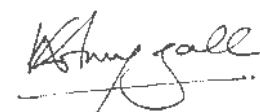
COMPLIANCE REPORT

The Directors confirm that to the best of their knowledge, all taxes, duties and levies payable by the Company and its subsidiaries, all contributions, levies and taxes payable on behalf of and in respect of the employees of the Company and its subsidiaries, and all other known statutory dues as were due and payable by the Company and its subsidiaries as at the date of the statements of financial position have been paid, or where relevant provided for, except as disclosed in note 34 to the financial statements covering contingent liabilities.

The Directors confirm that based on their assessment, the accounting controls are adequate, and nothing has come to their attention to indicate any breakdown in the functioning of these controls that may result in a material loss to the Company. The Directors also confirm that the Company has adequate resources to continue in operational existence and continue as a Going Concern for the foreseeable future.

Accordingly, the Directors are of the view that they have discharged their responsibilities as set out in this statement.

By Order of the Board



Ms. Viranthi Attygalle
Group Company Secretary

Colombo
18 March 2026

Independent Auditor's Report



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100 Braybrooke Place
Colombo 2
Sri Lanka

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To the Shareholders of Dialog Axiata PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dialog Axiata PLC (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Company and the consolidated financial statements of the Group give a true and fair view of the financial position of the Company and the Group as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group in accordance with the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Sri Lanka ("CA Sri Lanka Code of Ethics") and we have fulfilled our other ethical responsibilities in accordance with the CA Sri Lanka Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

C S Manoharan FCA, T U Jayasinghe FCA, M D B Boyagoda FCA, H A C H Gunarathne FCA, M P M T Gunasekara FCA, N R Gunasekera FCA, M S J Henry FCA, M M R Hilmy FCA, H P V Lakdeva FCA, K M D R P Manatunga FCA, M M M Manzeer FCA, L A C Tillekeratne FCA, D C A J Yapa FCA

Regd. Office: P.O. Box 918, 100 Braybrooke Place, Colombo 02, Sri Lanka. Reg. No.: w/4179

Independent Auditor's Report

Deloitte.

The Group:

Key audit matter	How our audit addressed the Key audit matter
<p>Impairment assessment of goodwill arising from acquisition of subsidiaries</p> <p>(Refer accounting policies in note 2.5 (a) and note 7 in the financial statements)</p> <p>As at 31 December 2025, the Group's goodwill arising from its acquisition of subsidiaries was Rs. 19.8 Bn. The Group is required to test goodwill for impairment annually according to the requirements of the applicable accounting standard.</p> <p>This annual impairment test was significant to our audit due to the following reasons:</p> <ul style="list-style-type: none"> - the goodwill balance of the Group as at 31 December 2025 is material to the financial statements; and - impairment testing is based on management's assumptions and judgments about future results of the business and the discount rates applied to future cash flow forecasts of the related subsidiaries which are affected by the uncertainty of the expected future market or economic conditions. 	<p>Our procedures included checking inputs used in the impairment testing and the reasonableness of the assumptions used in determining the recoverable value and are given below:</p> <ul style="list-style-type: none"> (a) assessed the key assumptions, including the discount rate, terminal growth rate, EBITDA, and revenue growth rate by benchmarking against publicly available market data and by obtaining the assistance of our valuation experts. This also included assessing the impact of the present economic condition of the country on the industry using both historical data as well as market expectations from published reports, where applicable; (b) checked the mathematical accuracy of the impairment testing models and agreed with relevant data to the approved management plans; (c) checked the cashflow projections by comparing actual performance against previous forecasts and projections; (d) discussed with relevant senior management the extent to which their assessment of uncertainty had been incorporated to cash flow projections; (e) re-performed the sensitivity analysis performed by management by stress-testing the discount rate, terminal growth rate, EBITDA margin, revenue growth rate, and capex to EBITDA ratio; (f) tested management judgements on calculating the reasonableness of assets and liabilities forming part of Cash Generating Unit (CGU) and (g) engaged valuation specialists to test the reasonableness of key assumptions used including discount rate and terminal growth rate

Deloitte.

The Group and Company:

Key audit matter	How our audit addressed the Key audit matter
<p>Revenue recognition - Accuracy of mobile service revenues recorded given the complexity of systems and the inherent nature of the revenue.</p> <p>(Refer accounting policies in note 2.25 and note 26 in the financial statements)</p> <p>The mobile services revenue of the Company and the Group amounted to Rs. 137.7 Bn and Rs. 145.8 Bn respectively, and comprised revenues from voice, data, and value-added services that are material to the financial statements.</p> <p>We focused on this area, in determining telecommunication service revenue involves risks due to:</p> <ul style="list-style-type: none"> - multiple element arrangements inherent to revenue in the industry; - an inherent risk around the accuracy of revenue recorded given the complexity of systems and the impact of changes in pricing models to revenue recognition; and - complex information technology systems involving the processing of large volumes of data. 	<p>Our audit procedures included testing of controls and substantive procedures as follows:</p> <p>(a) evaluated the relevant IT systems and the design of relevant controls, and tested the operating effectiveness of such controls over the:</p> <ul style="list-style-type: none"> - capturing and recording of revenue transactions; - authorization of rate changes and the rate input to the billing systems; and - accuracy of the system calculation of amounts billed to customers <p>(b) checked the accounting treatment for all new products launched with multiple element arrangements and tested that they are appropriately incorporated into the billing systems;</p> <p>(c) recalculated the revenue recognised to evaluate whether the amounts recognised by the Company's IT system were accurate</p> <p>(d) tested the reconciliations between the general ledger and IT system for all key revenue streams;</p> <p>(e) tested the results of the monitoring activities performed by the revenue assurance function of the Company; and</p> <p>(f) examined material non-standard journal entries and other adjustments posted to revenue.</p>

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Independent Auditor's Report

Deloitte.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company and the consolidated financial statements of the Group, management is responsible for assessing the Company's/ Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company/ Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company and the consolidated financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the Company and the consolidated financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company/ Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements of the Company and the consolidated financial statements of the Group represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Deloitte.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the Company and the consolidated financial statements of the Group financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act, No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.



CHARTERED ACCOUNTANTS

CA Sri Lanka membership number 2347

COLOMBO

18 March 2026

Statement of Financial Position

(all amounts are in Sri Lanka Rupees thousands)

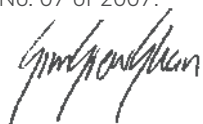
As at 31 December	Note	Group		Company	
		2025 (Audited)	2024 (Restated)	2025 (Audited)	2024 (Restated)
ASSETS					
Non - current assets					
Intangible assets	7	42,233,321	36,994,257	33,208,814	30,352,752
Contract cost assets	26 (c) (i)	11,767,495	12,949,735	3,159,678	3,807,270
Property, plant and equipment	8	141,688,633	157,185,633	108,109,849	120,903,499
Right-of-use assets	9 (a) (i)	9,415,848	10,861,923	9,072,717	10,662,694
Deferred tax assets	23 (a)	225,931	248,673	-	-
Investment in subsidiaries	10	-	-	40,675,068	40,675,068
Investment in associates	11	-	-	-	-
Other financial assets	13	3,533,279	4,015,608	-	-
		208,864,507	222,255,829	194,226,126	206,401,283
Current assets					
Inventories	14	1,792,975	1,773,019	304,732	234,178
Trade and other receivables	15	37,788,321	47,411,228	24,387,112	34,582,085
Other financial assets	13	7,979,184	3,921,664	100,304	-
Cash and cash equivalents	16	19,050,199	33,785,614	14,995,399	27,776,009
		66,610,679	86,891,525	39,787,547	62,592,272
Total assets		275,475,186	309,147,354	234,013,673	268,993,555
EQUITY					
Capital and reserves attributable to equity holders					
Stated capital	17	39,905,563	39,905,563	39,905,563	39,905,563
Reserves	18	50,224,636	38,448,023	34,410,608	27,843,679
Equity attributable to Equity holders		90,130,199	78,353,586	74,316,171	67,749,242
Non-controlling interests		(117,471)	(73,623)	-	-
Total equity		90,012,728	78,279,963	74,316,171	67,749,242

(all amounts are in Sri Lanka Rupees thousands)

As at 31 December	Note	Group		Company	
		2025 (Audited)	2024 (Restated)	2025 (Audited)	2024 (Restated)
LIABILITIES					
Non - current liabilities					
Borrowings	21	15,482,402	35,749,593	13,146,186	31,956,538
Contract liabilities	26 (c) (ii)	6,106,728	5,745,507	5,069,234	4,731,780
Deferred income	22	228,865	325,330	228,865	325,330
Lease liabilities	9 (a) (ii)	9,427,146	10,834,404	9,151,770	10,614,105
Other financial liabilities	20	300,997	125,381	-	-
Employee benefit payables	24	2,218,377	2,310,004	1,580,298	1,655,831
Provision for other liabilities	25	4,957,418	4,503,584	4,536,320	4,129,542
Deferred tax liabilities	23 (a)	3,660,828	1,157,608	1,800,000	-
		42,382,761	60,751,411	35,512,673	53,413,126
Current liabilities					
Trade and other payables	19	67,114,369	78,645,760	70,800,091	71,824,754
Borrowings	21	61,003,632	71,944,041	43,891,953	61,317,309
Other financial liabilities	20	3,318,810	3,144,356	-	4,396
Lease liabilities	9 (a) (ii)	1,812,334	1,685,480	1,707,607	1,659,529
Contract liabilities	26 (c) (ii)	8,367,771	13,447,548	6,442,759	11,806,658
Current income tax liabilities		1,462,781	1,248,795	1,342,419	1,218,541
		143,079,697	170,115,980	124,184,829	147,831,187
Total liabilities		185,462,458	230,867,391	159,697,502	201,244,313
Total equity and liabilities		275,475,186	309,147,354	234,013,673	268,993,555
Net assets per share (Rs.)		9.78	8.51	8.08	7.36

The notes on pages 211 to 282 form an integral part of these financial statements.

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 07 of 2007.



Sim Siew Shan

Group Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements.



David Nai Pek Lau

Chairman
18 March 2026



Supun Weerasinghe

Director

Statement of Comprehensive Income

(all amounts are in Sri Lanka Rupees thousands)

For the year ended 31 December	Note	Group		Company	
		2025	2024	2025	2024
Revenue	26 (a)	179,640,832	171,170,280	135,772,824	115,672,413
Direct costs	27	(83,763,102)	(98,475,563)	(61,160,269)	(59,622,463)
Gross profit		95,877,730	72,694,717	74,612,555	56,049,950
Distribution costs	27	(20,199,431)	(18,540,038)	(17,340,044)	(15,583,453)
Administrative costs	27	(34,584,995)	(31,993,895)	(25,102,650)	(22,677,499)
Net impairment loss on financial assets		(3,285,445)	(1,643,616)	(2,031,537)	(807,104)
Other income	29	800,467	261,355	715,200	154,923
Operating profit		38,608,326	20,778,523	30,853,524	17,136,817
Finance income	30	802,498	1,464,012	798,370	1,670,319
Finance costs	30	(11,314,140)	(9,855,748)	(9,929,883)	(8,662,171)
Net foreign exchange (loss) / gain	30	(1,379,659)	3,788,124	(1,431,468)	3,564,728
Finance costs - net	30	(11,891,301)	(4,603,612)	(10,562,981)	(3,427,124)
Share of loss from associates - net of tax	11	(47,115)	(34,585)	-	-
Profit before income tax		26,669,910	16,140,326	20,290,543	13,709,693
Income tax expense	31	(5,909,912)	(3,705,458)	(4,711,111)	(2,617,146)
Profit for the year		20,759,998	12,434,868	15,579,432	11,092,547
Other comprehensive income					
Items that will not be reclassified after profit or loss:					
- Fair value gain / loss on investments in equity instruments designated as at fair value through other comprehensive income, net of tax	4 (c)	(29,889)	(22,040)	-	-
- remeasurements of defined benefit obligation, net of tax	24 (a) (i)	223,518	26,261	187,832	53,514
Other comprehensive income for the year, net of tax		193,629	4,221	187,832	53,514
Total comprehensive income for the year		20,953,627	12,439,089	15,767,264	11,146,061
Profit for the year is attributable to:					
- owners of the Company		20,769,923	12,458,581	15,579,432	11,092,547
- non-controlling interest		(9,925)	(23,713)	-	-
Total comprehensive income for the year is attributable to:					
- owners of the Company		20,965,169	12,464,139	15,767,264	11,146,061
- non-controlling interest		(11,542)	(25,050)	-	-
Earnings per share					
- Basic	32 (a) (i)	2.26	1.43	1.69	1.27
- Diluted	32 (a) (ii)	2.26	1.43	1.69	1.27
Dividend per share		1.00	1.34	1.00	1.34

The notes on pages 211 to 282 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

(all amounts are in Sri Lanka Rupees thousands)

	Note	Attributable to owners of the Company		Non-controlling interest	Total equity
		Stated capital	Reserves		
Balance as at 1 January 2025		39,905,563	38,448,023	(73,623)	78,279,963
Profit / (loss) for the year		-	20,769,923	(9,925)	20,759,998
Other comprehensive income		-	195,246	(1,617)	193,629
Total comprehensive income for the year		-	20,965,169	(11,542)	20,953,627
Transactions with non-controlling interest		-	11,779	(32,306)	(20,527)
Dividend to shareholders	32 (b)	-	(9,200,335)	-	(9,200,335)
Balance as at 31 December 2025		39,905,563	50,224,636	(117,471)	90,012,728
Balance as at 1 January 2024		29,349,706	37,031,245	(44,189)	66,336,762
Profit / (loss) for the year		-	12,458,581	(23,713)	12,434,868
Other comprehensive income		-	5,558	(1,337)	4,221
Total comprehensive income for the year		-	12,464,139	(25,050)	12,439,089
Transactions with non-controlling interest		-	4,477	(4,384)	93
Dividend to shareholders		-	(11,051,838)	-	(11,051,838)
Issue of shares	17 (a)	10,555,857	-	-	10,555,857
Balance as at 31 December 2024		39,905,563	38,448,023	(73,623)	78,279,963

The notes on pages 211 to 282 form an integral part of these financial statements.

Company Statement of Changes in Equity

(all amounts are in Sri Lanka Rupees thousands)

	Note	Attributable to owners of the Company		
		Stated capital	Reserves	Total equity
Balance as at 1 January 2025		39,905,563	27,843,679	67,749,242
Profit for the year		-	15,579,432	15,579,432
Other comprehensive income		-	187,832	187,832
Total comprehensive income for the year		-	15,767,264	15,767,264
Dividend to shareholders	32 (b)	-	(9,200,335)	(9,200,335)
Balance as at 31 December 2025		39,905,563	34,410,608	74,316,171
Balance as at 1 January 2024		29,349,706	27,749,456	57,099,162
Profit for the year		-	11,092,547	11,092,547
Other comprehensive income		-	53,514	53,514
Total comprehensive income for the year		-	11,146,061	11,146,061
Dividend to shareholders		-	(11,051,838)	(11,051,838)
Issue of shares	17 (a)	10,555,857	-	10,555,857
Balance as at 31 December 2024		39,905,563	27,843,679	67,749,242

The notes on pages 211 to 282 form an integral part of these financial statements.

Statement of Cash Flows

(all amounts are in Sri Lanka Rupees thousands)

For the year ended 31 December	Note	Group		Company	
		2025	2024	2025	2024
Cash flows from operating activities					
Cash generated from operations	33 (a)	76,306,980	60,235,653	72,353,716	61,330,918
Interest received		966,235	1,585,568	834,146	1,241,496
Interest paid		(8,573,528)	(9,471,191)	(6,925,936)	(7,761,618)
Income taxes paid		(2,819,430)	(2,535,545)	(2,647,597)	(2,498,997)
Employee benefits obligations paid	24 (a) (i)	(353,232)	(331,041)	(292,097)	(212,724)
Net cash inflow from operating activities		65,527,025	49,483,444	63,322,232	52,099,075
Cash flows from investing activities					
Purchase of property, plant and equipment		(23,485,653)	(30,119,605)	(14,792,436)	(23,093,279)
Purchase of intangible assets		(4,206,298)	(4,275,114)	(4,039,821)	(4,190,716)
Net cash acquired from acquisition of subsidiary		-	(5,509,797)	-	(5,509,823)
Investment in associate		(47,115)	-	-	-
Proceeds from sale of property, plant and equipment		86,440	45,770	440	43,020
Proceeds from sales of other financial assets		503,738	1,727,387	-	-
Purchase of other financial assets		(185,450)	(721,816)	-	-
Dividend received		291	-	-	-
Increase in interest in subsidiary		-	-	-	(1,468,000)
Net cash outflow from investing activities		(27,334,047)	(38,853,175)	(18,831,817)	(34,218,798)
Cash flows from financing activities					
Repayment of borrowings	33 (b)	(95,240,826)	(35,633,058)	(78,147,228)	(28,918,850)
Proceeds from borrowings	33 (b)	69,387,711	38,683,532	52,850,000	27,484,000
Principal element of lease payment	33 (b)	(4,165,326)	(4,167,416)	(4,016,815)	(4,076,661)
Proceeds from share issue – non controlling interest		-	93	-	-
Redemption of preference shares from NCI		(20,527)	(2,807)	-	-
Dividends paid to ordinary shareholders		(17,784,656)	(3,759,979)	(17,784,656)	(3,759,979)
Net cash outflow from financing activities		(47,823,624)	(4,879,635)	(47,098,699)	(9,271,490)
Net (decrease) / increase in cash and cash equivalents		(9,630,646)	5,750,634	(2,608,284)	8,608,787
Movement in cash and cash equivalents					
At the beginning of year		11,503,551	7,863,324	6,832,631	(90,478)
(Decrease) / Increase		(9,630,646)	5,750,634	(2,608,284)	8,608,787
Effect of exchange rate changes		1,372,492	(2,110,407)	1,837,804	(1,685,678)
At end of year	(Note a)	3,245,397	11,503,551	6,062,151	6,832,631

Statement of Cash Flows

(all amounts are in Sri Lanka Rupees thousands)

Note a

Cash and cash equivalents at the end of the financial year consist of the following.

For the year ended 31 December	Note	Group		Company	
		2025	2024	2025	2024
Cash in hand and cash at bank	16	19,050,199	33,785,614	14,995,399	27,776,009
Bank overdrafts	21	(15,804,802)	(22,282,063)	(8,933,248)	(20,943,378)
		3,245,397	11,503,551	6,062,151	6,832,631

The notes on pages 211 to 282 form an integral part of these financial statements.

Notes to the Financial Statements

(all amounts in the notes are in Sri Lanka Rupees thousands unless otherwise stated)

1 Corporate information

Dialog Axiata PLC ('the Company') and its subsidiaries (together 'the Group') provide communication services (mobile, fixed, broadband, international gateway services), telecommunication infrastructure services (tower infrastructure and transmission services), media (digital television services based on multiple media - satellite, cable, terrestrial), digital services [including but not limited to digital commerce (mobile and eCommerce), electronic payments (including mobile payment), digital health, enterprise services and financial services], data centre services, manpower services, provision of IT services and venture capital investment activities.

Dialog Axiata PLC is a public limited liability company incorporated and domiciled in Sri Lanka and is listed on Colombo Stock Exchange since 28 July 2005. The registered office of the Company is located at 475, Union Place, Colombo 2.

The Company's and the Group's financial statements are authorised for issue by the Board of Directors on 18 March 2026.

2 Summary of material accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

2.1 Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with Sri Lanka Accounting Standards, which comprise Sri Lanka Financial Reporting Standards ('SLFRS'), Sri Lanka Accounting Standards ('LKAS'), relevant interpretations of the Standing Interpretations Committee ('SIC') and International Financial Reporting Interpretations Committee ('IFRIC'). These financial statements have been prepared under the historical cost basis, except for certain financial

assets and liabilities which are measured at fair value. The preparation of financial statements in conformity with Sri Lanka Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's and the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's and the Group's financial statements are disclosed in note 5 to the financial statements.

(a) New accounting standards, amendments and interpretations adopted in 2025

The Group and the Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2025:

(i) Amendments to LKAS 21, 'The Effects of Changes in Foreign Exchange Rates'

The amendment specifies the lack of exchangeability to require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025

(b) New accounting standards, amendments and interpretations issued but not yet adopted in 2025

(i) Amendment to SLFRS 9, 'Financial Instruments' and SLFRS 7 'Financial Instruments: Disclosure'

The amendments specify.

- when a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date.

- how to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs; and
- new or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026.

(ii) Amendments to SLFRS 18 'Presentation and Disclosure in Financial Statements'

The amendment requires additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and adding new principles for the aggregation and disaggregation of items.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027.

(iii) Amendments to SLFRS 19 'Subsidiaries without Public Accountability: Disclosures'

A subsidiary qualifies if, at the end of the reporting period:

- It is a subsidiary (including intermediate parent),
- It does not have public accountability, and
- Its ultimate or intermediate parent prepares consolidated financial statements available for public use in accordance with SLFRS.

Notes to the Financial Statements

Applying SLFRS 19 is optional. Eligible entities may use it in their consolidated, separate, or individual financial statements. An intermediate parent may choose to apply it only in its separate financial statements, even if it does not apply it in its consolidated financial statements.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027.

(iv) Amendments to SLFRS 9 and SLFRS 7 'Contracts Referencing Nature-dependent Electricity'

The amendments:

- Clarify how the own-use exemption applies
- Update hedge accounting requirements for cash flow hedges
- Introduce new disclosure requirements to improve transparency

Own-use changes apply retrospectively, hedge accounting changes apply prospectively, and the new disclosures must be applied together with the SLFRS 9 amendments. If comparatives are not restated, comparative disclosures cannot be presented

They are effective from 1 January 2026, with early adoption permitted (with disclosure).

The adoption of amendments to published standards is not expected to have a material impact on the financial statements of the Group and the Company.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group and the Company in the current or future reporting periods and on foreseeable future transactions.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the Group. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred to the former owners of the acquired business, and the equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any Non-Controlling Interest ('NCI') in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the NCI's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Inter-company transactions balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

A listing of the Group's principal subsidiaries is set out in note 10 to the financial statements.

(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in comprehensive income, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. An impairment loss is recognised for the amount by which the carrying amount of the associate exceeds its recoverable amount. The Group presents the impairment loss in the statement of comprehensive income.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in comprehensive income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any

amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to comprehensive income.

Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to comprehensive income where appropriate.

The carrying number of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.8.

(e) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are required. The consideration transferred for the acquisition of a subsidiary comprises.

- The fair value of the assets transferred.
- The liabilities incurred to the former owners of the acquired business.
- The equity interests issued by the Company or the Group.
- The fair value of any asset or liability resulting from a contingent consideration arrangement; and

- The fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquired entity on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of:

- consideration transferred.
- the amount to any non-controlling interest in the acquired entity; and
- the acquisition date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used in the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either an equity or as a financial liability.

Notes to the Financial Statements

2.3 Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Sri Lanka Rupees, which is the Company's and the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in comprehensive income. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income, within finance costs.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through comprehensive income are recognised in comprehensive

income as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

2.4 Property, plant and equipment (PPE)

(a) Cost

PPE are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost of telecom equipment comprises expenditure up to and including the last distribution point before customers' premises and includes contractors' charges, materials, and direct labour and related directly attributable overheads. Cost of fixed line network includes customers' premises equipment including handsets. The cost of other PPE comprises expenditure directly attributable to the acquisition of the item. These costs include the costs of dismantling, removal and restoration, and the obligation for which an entity

incurs either when the item is acquired or as a consequence of having used the item during a particular period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to comprehensive income during the reporting period in which they are incurred.

(b) Depreciation and residual value

Depreciation of asset begins when it is available for use freehold. Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

	Estimated useful lives (in years)
Buildings	25 to 40
Building - electrical installation	8
Building - leasehold property	Over lease period
Computer equipment	4 to 5
Telecom equipment	4 to 5
Customers' premises equipment	1 to 3
Office equipment	5 to 12.5
Office equipment – phones	2
Furniture and fittings	5 to 8
Toolkits	10
Motor vehicles	4 to 5

Depreciation on assets under construction or capital work-in-progress commences when the assets are ready for their intended use. Depreciation on PPE ceases at the earlier of derecognition or classification as held-for-sale.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(c) Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(d) Gains or losses on disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the statement of comprehensive income.

(e) Asset exchange transaction

PPE may be acquired in exchange for a non-monetary asset or for a combination of monetary and non-monetary assets and is measured at fair value unless.

- The exchange transaction lacks commercial substance; or
- The fair value of neither the assets received, nor the assets given up can be measured reliably.

The acquired item is measured in this way even if the Group and the Company cannot immediately derecognise the assets given up. If the acquired item cannot be reliably measured at fair value, its cost is measured at the carrying amount of the asset given up.

(f) Repairs and maintenance

Repairs and maintenance are charged to the comprehensive income during the period in which they are incurred.

The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits more than the originally assessed standard of performance of the existing asset will flow to the Group and the Company. This cost is depreciated over the remaining useful life of the related asset.

2.5 Intangible assets

(a) Goodwill

Goodwill is measured as described in note 2.2 (e). Goodwill on acquisition of subsidiaries is included in intangible assets.

Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. To impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Licenses

Separately acquired licenses are shown at historical cost. Licenses acquired in a business combination are recognised at fair value at the acquisition date.

Licenses that have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of licenses over their estimated useful lives which is between five (5) to ten (10) years.

(c) Computer software

Acquired computer software licenses are capitalised based on the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life of two (02) to five (05) years.

Costs associated with maintaining software programmes

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use.
- management intends to complete the software product and use or sell it.
- there is an ability to use or sell the software product.
- it can be demonstrated how the software will generate probable future economic benefits.
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

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Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

(d) Research and development

Research expenditure and development expenditure that do not meet the criteria in (c) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

(e) Other intangibles

Costs incurred to acquire the indefeasible right-of-use of under-sea cable, is recognised at cost and amortised over its useful life of fifteen (15) years.

2.6 Contract cost assets

The costs that are directly related to the acquisition and fulfilment of customer contracts are recognised as contract cost assets and amortised on a systematic basis that is consistent with the fulfilment of the performance obligation. Contract cost assets are assessed at each reporting date whether there is any indication that the subscriber acquisition cost may be impaired. The Group has elected the practical expedient to recognise contract cost assets incurred related to contracts with an amortisation period of less than one year as an expense when incurred.

The capitalised contract cost assets are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

2.7 Investments in subsidiaries and associates

In the Company's separate financial statements, investments in subsidiaries and associates are stated at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries and associates, the difference between disposal proceeds and the carrying amounts of the investments are recognised in comprehensive income. Disposal related costs are expensed as incurred.

2.8 Impairment of non-financial assets (excluding goodwill)

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

The impairment loss is charged to comprehensive income. Any subsequent increase in recoverable amount is recognised in comprehensive income.

2.9 Financial assets

(a) Classification

The Group and the Company classify its financial assets in the following measurement categories.

- those to be measured at amortised cost, and
- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss.

The classification depends on the Company's and the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group and the Company have made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group and the Company reclassify debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group and the Company commit to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group and the Company have transferred substantially all risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in comprehensive income.

(d) Subsequent measurement**(i) Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in comprehensive income and presented in other income/(losses) together with foreign exchange gains and losses. Impairment expenses are presented as separate line item in the comprehensive income.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains

and losses which are recognised in comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to comprehensive income and recognised in other income/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains / (losses) and impairment expenses are presented as separate line item in comprehensive income.

- **FVTPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in comprehensive income and presented net within other gains/(losses) in the period in which it arises.

(ii) Equity instruments

The Group and the Company subsequently measure all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to comprehensive income following the derecognition of the investment. Dividends from such investments continue to be recognised in comprehensive income as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(e) Impairment

The Group and the Company assess on a forward-looking basis the expected credit loss (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL represents a probability-weighted estimate of the difference between present value of cash flows according to the contracts and present value of cash flows the Group and the Company expect to receive, over the remaining life of the financial instruments.

The measurement of ECL reflects:

- an unbiased and probability - weighted amount that is determined by evaluating a range of possible outcomes.
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(i) General 3-stage approach for Other Financial Assets

At each reporting date, the Group and the Company measures ECL through a loss allowance at an amount equal to the 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to the lifetime ECL is required.

Based on the above process, financial assets are grouped into Stage 1, Stage 2, Stage 3 and purchased originated credit impaired (POCI), as described below.

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- Stage 1 - When financial assets are first recognised, the Group and Company recognises an allowance based on 12 month ECLs. Stage 1 financial assets also include facilities where the credit risk has improved, and the financial asset has been reclassified from Stage 2.
- Stage 2 - When a financial asset has shown a significant increase in credit risk since origination, the Group and Company records an allowance for the lifetime ECLs. Stage 2 financial assets also include facilities, where the credit risk has improved, and the financial asset has been reclassified from Stage 3.
- Stage 3 - Financial assets considered as credit-impaired. The Group and Company records an allowance for the lifetime ECLs.

Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

(ii) Simplified approach for Trade Receivables

For trade receivables, the Group and the Company apply the simplified approach permitted by SLFRS 9, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted

to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. GDP, inflation, exchange rates, interest rates and unemployment rates are considered the most relevant factors for the Group and the Company.

Trade receivables which are in default or credit-impaired or have individually significant balances, are separately assessed for ECL measurement.

(f) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

(g) Derivative financial instruments

The Company enters a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks including foreign exchange forward contracts.

Derivatives are recognised initially at fair value at the date on which the derivative contract is entered into and are subsequently remeasured to the fair value at each reporting date. The resulting gain and loss is recognised in statement of comprehensive income (SOI) immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in SOI depends on the nature of the hedge relationship.

A derivative with positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Company has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled or within 12 months. Other derivatives are presented as current assets or current liabilities.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and comprises all expenses incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. In arriving at the net realisable value, due allowance is made for all obsolete and slow-moving items.

2.11 Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within a year and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

Other receivables generally arise from transactions outside the usual operating activities of the Group and the Company.

2.12 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the statement of cash flows. Bank overdrafts are included within borrowings in current liabilities in the statement of financial position.

2.13 Stated capital

(a) Classification

Ordinary shares with discretionary dividends are classified as equity. Other shares are classified as equity or liability according to the economic substance of the instrument. Distribution to holders of a financial instrument classified as an equity instrument is charged directly to equity.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(b) Share issue expenses

Incremental costs directly attributable to the issuance of new shares are deducted against equity.

(c) Dividends to shareholders of the Company

Dividends distribution is recognised as a liability in the Company's and the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. Distributions to holders of an equity instrument is recognised directly in equity.

2.14 Financial liabilities

(a) Classification, recognition and measurement

The Group and the Company classify their financial liabilities in the following categories: trade and other payables (excluding statutory liabilities), borrowings and other financial liabilities. Management determines the classification of financial liabilities at initial recognition.

Financial instruments issued by the Group and the Company, that are not designated at fair value through profit or loss, are carried at amortised cost.

Financial liabilities are initially recognised at fair value net of transaction costs and subsequently carried at amortised cost using effective interest method. They are included in current liabilities, except for maturities greater than 12 months after the end of the reporting date in which case they are classified as non-current liabilities.

(b) Derecognition

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from, the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, and the difference in the respective carrying amounts is recognised in comprehensive income.

2.15 Trade payables

Trade payables represent liabilities for goods and services provided to the Group and the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Group and the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the Financial Statements

2.17 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred and recorded under finance expense.

2.18 Income taxes

Tax expense for the period comprises current and deferred income tax. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Group and the Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction effects neither accounting nor taxable comprehensive income. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.19 Employee benefits

(a) Defined benefit plan-gratuity

Defined benefit plan defines an amount of benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The defined benefit plan comprises the gratuity provided under the payment of Gratuity Act, No.12 of 1983.

The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the yield rate of long-term government bonds that have terms to maturity approximating to the terms of the related defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligations and included in employee benefit expense in the comprehensive income. The current service cost of the defined benefit plan reflects the increase in the defined benefit obligations resulting from employee service in the current year. It is recognised in the comprehensive income in employee benefit expense, except where included in the cost of an asset. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in comprehensive income as past service costs.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position. The assumptions based on which the results of the actuarial valuation were determined, are included in note 24 to the financial statements.

(b) Defined contribution plans

For defined contribution plans, such as the Employees' Provident Fund and Employees' Trust Fund, the Group and the Company contribute 12% and 3% respectively, of basic or consolidated wage or salary of each eligible employee. The contributions are recognised as employee benefit expense when they are due. The Group and the Company have no further payment obligation once the contributions have been paid. The Company and the employees are members of these defined contribution plans.

(c) Short-term employee benefits

Wages, salaries, bonuses, and non-monetary benefits that are expected to be settled in full within twelve (12) months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(d) Termination benefits

Termination benefits are payable when employment is terminated by the Group and the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group and the Company recognises termination benefits at the earlier of the following dates: (a) when the entity

can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of LKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(e) Share-based compensation

The Company operates an equity-settled, share-based compensation plan for its employees. The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions.
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in comprehensive income, with a corresponding adjustment to equity.

2.20 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group and the Company have received consideration from the customer. If a customer pays consideration before the entity transfers

goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the entity performs under the contract.

2.21 Provisions

Provisions are recognised when the Group and the Company have a present legal or constructive obligation because of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Provision for assets retirement is mainly provisions for dismantling, removal or restoration on identified sites. Provisions are reviewed at the end of the reporting period and adjusted to PPE or ROU or comprehensive income to reflect the current best estimation. Where the time value of money is material, the amount of a provision is the present value of the future period expenditure expected to be required to settle the obligation.

Notes to the Financial Statements

2.22 Contingent assets and contingent liabilities

The Group and the Company do not recognise contingent assets and liabilities but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and the Company. The Group does not recognise a contingent asset but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group and the Company under a business combination, the contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any NCI.

The Group recognises separately the contingent liabilities of the acquirers as part of allocating the cost of a business combination where their fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with the provisions of LKAS 37, 'Provisions, Contingent Liabilities and Contingent Assets' and the amount initially recognised less, when appropriate, cumulative amortisation.

2.23 Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company and its subsidiaries will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the comprehensive income over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to property, plant and equipment are included in non-current liabilities as deferred revenue and are credited to the comprehensive income on a straight-line basis over the expected lives of the related assets.

2.24 Accounting for leases where the Group and the Company are the lessee

Leases are recognised as right-of-use ('ROU') asset and a corresponding liability at the date on which the leased asset is available for use by the Group and the Company (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group and the Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

(a) ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability.
- Any lease payments made at or before the commencement date less any lease incentive received.
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and the Company is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

(b) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable.
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable by the Group and the Company under residual value guarantees.
- The exercise price of a purchase and extension options if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and the Company, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in comprehensive income in the period in which the condition that triggers those payments occurs.

The Group and the Company present the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in comprehensive income.

(c) Remeasurement of lease liabilities

The Group and the Company are also exposed to potential future increases in variable lease payments that depend on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the ROU assets.

In determining the lease term, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options

(or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group and the Company reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and the Company and affects whether the Group and the Company are reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

(d) Short-term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture. Payments associated with short-term leases of low-value assets are recognised on a straight-line basis as an expense in comprehensive income.

2.25 Revenue recognition

(a) Revenue from contracts with customers

Goods and services deliverable under contracts with customers are identified as separate performance obligations ('obligations') to the extent that the customer can benefit from the goods or services on their own or together with other resources that are readily available to the customer and that the separate goods and services are considered distinct from other goods and services in the agreement. Where individual goods and services do not meet the criteria to be identified as separate performance obligations they are aggregated with other goods and/or services in the agreement until a separate performance obligation is identified.

The Group and the Company determine the transaction price to which it expects to be entitled to in return for providing the promised obligations to the customer based on the committed contractual amounts, net of sales taxes and discounts. In determining the transaction price, the Group and the Company consider variable and non-cash consideration such as rebates or discounts and consideration payable to a customer such as refunds to the extent that it is highly probable that a significant reversal will not occur. The transaction price is allocated between the identified obligations according to the relative standalone selling prices of the obligations. The standalone selling price of each obligation deliverable in the contract is determined according to the prices that the Group and the Company would achieve by selling the same goods and/or services included in the obligation to a similar customer on a standalone basis. Where the Group does not sell equivalent goods or services in similar circumstances on a standalone basis it is necessary to estimate the standalone price. When estimating the standalone price, the Group maximises the use of external input; observing the standalone prices for similar goods and services when sold by third parties or using a cost-plus reasonable margin approach.

Revenue is recognised when the respective obligations in the contract are delivered to the customer and payment remains probable.

The revenue is recognised as follows:

(i) Domestic and international telecommunications service revenue

Revenue from the provision of telecommunication services, such as call time, messaging, data services and information provision, fees for connecting users of other fixed line and mobile networks to the Company's and the Group's network is recognised when

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or as the entity performs the related service during the agreed service period. The customers are charged Government taxes at the applicable rates and the revenue is recognised net of such taxes.

(ii) Pay TV and fixed broadband services

Each subscription to a contract for Pay TV and fixed broadband service is considered as a series of distinct services that are substantially the same and have the same pattern of transfer to the customer. The providing of set-top boxes, routers and connection fees for the exclusive use of the Group's services do not represent distinct services or goods, and they are to be combined with the subscription service as a single performance obligation satisfied over time. Revenue is recognised over the period the service is performed from the activation date of the subscription and as the service is provided.

(iii) Revenue from other network operators and international settlement

Revenue from other network operators, local and international, for the use of the Company's and the Group's telecommunication network for completing call connections is recognised when the related services are performed, based on traffic minutes/ per second rates stipulated in the relevant agreements and regulations.

(iv) Sales of goods

Revenue from the sale of goods is recognised when the control of the goods is transferred to the customer. For goods, this usually occurs at the contract inception when the customer takes the possession of the goods.

(v) Bundled packages

If a good or service is separately identifiable from other items in a bundled package and if a customer can benefit from it, the Group and the Company recognise revenue for individual goods and services separately. The consideration is

allocated between separate goods and services in a bundle based on their stand-alone selling prices. The standalone selling prices are determined based on the list prices at which the Group and the Company sells mobile devices and network services separately. Post-paid contracts including handsets are evaluated, to determine if they contain a significant financing component. For the contracts where the timing difference between customer payment and transfer of goods or services is expected to be one year or less, the Group and the Company has elected to apply the practical expedient that allows not to adjust the transaction price for the significant financing components.

(vi) Digital services

Revenue generated from digital services such as e-learning, digital health, electronic payments, navigation and enterprise services is recognised when or as the entity performs the related service during the agreed service period.

(vii) Data centre services

Revenue from data centre services is recognised over the term of the customer contract. Non-recurring set-up fees, paid upfront upon implementation, are deferred and recognised over the contract term.

(viii) Provision of IT services

Revenue from carrying on the business of importers, exporters, agents and distributors, dealers and traders in software licenses and carrying on the business of developing computer software, designers and distributors of software packages. Revenue from the sale of licences are recognised at the point of time whereas service is recognised during the agreed service period where the entity performs the related service. Whenever the Group and the Company control goods or services when they are delivered to a customer, the Group and the Company are the principal in the sale; otherwise,

act as agents. The Group acts as an agent in relation to its license reseller contracts. The primary performance obligation is to facilitate the provision of licenses by the software company to the end user. Revenue is recognized based on the agent's fees, which are earned from the principal, and any sales proceeds received from the end user, after deducting any associated costs payable to the principal.

(b) Lease of passive infrastructure

Income from lease of passive infrastructure is recognised on an accrual basis based on prices agreed with customers upon completion of service. Lease revenue from operating leases is recognised on a straight-line basis over the fixed and non-cancellable term of the lease agreement, irrespective of when payments are due.

(c) Interest income

Interest income is recognised using the effective interest method. When a loan granted or a receivable is impaired, the Group and the Company reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continue unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

Interest income on bank balances and bank deposits is recognised on an accrual basis

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Income from leases, hire purchases, term loans and factoring

The excess of aggregated contract receivable over the cost of the assets constitutes the total unearned income at the commencement of a contract. The unearned income is recognised as income over the term of the facility

commencing with the month that the facility is executed in proportion to the declining receivable balance, so as to produce a constant periodic rate of return on the net investment.

Revenue from factoring is derived from two sources, funding and providing sales ledger related services.

- Funding - Discount income relating to factoring transactions is recognised at the end of a given accounting month. In computing this discount, a fixed rate agreed upon at the commencement of the factoring agreement is applied on the daily balance in the Client's current Account.
- Sales Ledger Related Services - A service charge is levied as stipulated in the factoring agreement. Income is accounted for on an accrual basis and deemed earned on disbursement of advances for invoices factored.

(f) Fees and commission income

Fees and commission income and expense that are integral to the effective interest rate on a financial asset or liability is included in the measurement of the effective interest rate.

Other fee and commission income including account servicing fees, investment management fees, sales commission, placement fees and syndication fees is recognised as the related services are performed.

If a loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period.

2.26 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments, and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised as per the principles of IFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

2.27 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group and the Company by the weighted average number of ordinary shares outstanding during the financial year.

For the diluted earnings per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

2.28 Comparatives

Where necessary, comparative figures have been adjusted to conform with the changes in presentation in the current year.

3 Financial risk management

3.1 Financial risk factors

The Group's and the Company's activities are exposed to variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group's and the Company's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and the Company. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group's and the Company's financial risk management policies. The Board of Directors regularly reviews these risks and approves the risk management policies, which cover the management of these risks. Hedging transactions are determined in the light of commercial commitments. Derivative financial instruments are used only to hedge underlying commercial exposures and are not held for speculative purposes.

(a) Market risk consists of:

- Foreign currency exchange risk - risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates;
- Fair value interest rate risk - risk that the value of a financial instrument will fluctuate due to changes in market interest rates;
- Cash flow interest rate risk - risk that future cash flows associated with a financial instrument will fluctuate due to changes in market interest rates. In the case of a floating rate debt instrument, such fluctuations result in a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value; and

Notes to the Financial Statements

- Price risk - risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

(b) Credit risk - risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

(c) Liquidity risk (funding risk) - risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments.

(d) The Company has recognised the following derivative financial instruments in the statement of financial position (Note 12).

Currency Pair	Notional Amount in USD	Fair Value Gain (LKR)
USD/LKR	26,200,000	154,517,657

Under SLFRS 9, a derivative financial instrument qualifies for hedge accounting if:

1. There is a documented hedging relationship and risk management strategy.
2. The hedge is expected to be highly effective in offsetting changes in fair value or cash flows.
3. Effectiveness can be reliably measured throughout the hedging period.
4. The hedged item and hedging instrument are clearly identifiable and linked.

The derivatives do not meet the hedge accounting criteria, and they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss.

During the year, a net gain of LKR 154.52 Mn (2024: net loss of LKR 4.4 Mn) on foreign currency forwards not qualifying as hedges was recognised in the financial statements.

(a) Market risks

(i) Foreign currency exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Company's and the Group's exposure to foreign currency risk at the end of the reporting period are shown in the note 21 (c) to the financial statements.

The aggregate net foreign exchange gain / (losses) recognized are disclosed in note 30. If Sri Lanka rupee fluctuates by 1% against United States dollar ('USD') as at 31 December 2025, with all other variables held constant, it will result in a net foreign exchange difference of LKR 60Mn (2024 - LKR 295Mn) and LKR 48Mn (2024 - LKR 287 Mn) on translation of USD denominated balances in the Group and the Company respectively.

(ii) Cash flow and fair value interest rate risk

The Group and the Company have cash and bank balances including deposits placed with creditworthy licensed banks and financial institutions. The Group and the Company manage interest rate risk by actively monitoring the yield curve trend and interest rate movements for the various deposits, cash and bank balances.

The Company's and the Group's borrowings comprise borrowings from banking and non-banking financial institutions. The Company's and the Group's interest rate risk objective is to manage an acceptable level of rate fluctuation on the interest expense. In order to achieve this objective, the Group and the Company target a composition of fixed and floating borrowings based on assessment of its existing exposure and desirable interest rate profile. To obtain this composition, the Group and the Company use hedging instruments such as interest rate swap contracts. The Group and the Company analyse interest rate exposure on a dynamic basis.

The Company's and the Group's exposure to interest rate risk at the end of the reporting period are shown in the note 21 to the financial statements.

If 6 months Sovereign Overnight Financing Rate ('SOFR') on IFC loan, on long term rupee loans had been lower/higher by 1% as at 31 December 2025 with all other variables held constant, it will result in a lower/higher interest expense of the Group and the Company amounting to LKR 47Mn (2024 - LKR 395Mn).

The Group's borrowings and receivables are carried at amortised costs. The borrowings are periodically contractually repriced and to that extend are also exposed to the risk of future changes in market interest rates.

(b) Credit risk

Credit risk is managed on the Group and the Company basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables (net of held). Individual risk limits are set, based on internal or external ratings. The utilisation of credit limits is regularly monitored.

The Group and the Company place cash and cash equivalents with a number of creditworthy financial institutions. The Company's and the Group's policy limits the concentration of financial exposure to any single financial institution. The maximum credit risk exposure of the financial assets of the Group and the Company are approximately their carrying amounts as at the end of the reporting period.

The credit quality of the financial assets is disclosed in note 12 (b) to the financial statements.

For trade receivables, the Group and the Company apply the simplified approach permitted by SLFRS 9, 'Financial Instruments', which requires lifetime expected losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets, except for the financial guarantee contracts amounted to LKR 1,367 Mn (2024 - LKR 557Mn.)

(c) Liquidity risk (funding risk)

Prudent liquidity risk management implies maintaining sufficient liquid funds to meet its financial obligations.

In the management of liquidity risk, the Group and the Company monitor and maintain a level of cash and cash equivalents (including USD

funding lines) deemed adequate by management to finance the Company's and the Group's operations and to mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the Group and the Company aim at maintaining flexibility in funding by keeping both committed and uncommitted credit lines available.

The table below analyses the Company's and the Group's derivative and non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. These amounts may not be reconciled to the amounts disclosed on the statement of financial position for borrowings and trade and other payables and lease liabilities.

Group	Less than 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2025					
Borrowings	44,932,378	19,077,237	6,920,209	11,300,004	-
Trade and other payables	67,114,369	-	-	-	-
Lease liabilities	320,825	2,887,427	2,913,663	7,047,906	4,622,884
Other financial liabilities	5,101,097	2,566,542	323,237	15,665	-
At 31 December 2024					
Borrowings	57,421,416	41,681,218	16,575,321	10,821,523	6,690,320
Trade and other payables	78,645,760	-	-	-	-
Lease liabilities	646,592	1,038,888	2,453,993	4,298,438	4,081,973
Other financial liabilities	2,001,000	1,127,054	127,402	14,281	-

Notes to the Financial Statements

Company	Less than 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2025					
Borrowings	30,900,768	13,074,519	4,478,000	8,500,000	-
Trade and other payables	70,800,091	-	-	-	-
Lease liabilities	181,233	1,631,100	1,623,054	4,465,859	3,264,067
At 31 December 2024					
Borrowings	51,378,223	38,544,525	13,892,750	10,238,123	6,690,320
Trade and other payables	71,824,754	-	-	-	-
Lease liabilities	634,734	1,024,795	2,361,017	4,199,165	4,053,923

3.2 Capital risk management

The primary objective of the Company's and the Group's capital risk management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximize shareholder's value.

The Group and the Company manage the capital structure and adjust it, considering changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may or may not make dividend payments to shareholders, return capital to shareholders or issue new shares or other instruments.

Consistent with others in the industry, the Group monitors capital based on the gearing ratio. This ratio is calculated as debt divided by total capital. Debt is calculated as 'Total borrowings' (including 'Current and non-current borrowings' as shown in the statements of financial position less bank overdrafts). Total capital is calculated as 'Total equity' as shown in the statements of financial position, including non-controlling interests.

The gearing ratios as at 31 December are as follows:

	Group		Company	
	2025	2024	2025	2024
Debt	76,486,034	107,693,634	57,038,139	93,273,847
Total capital	90,012,728	78,279,963	74,316,169	67,749,242
Gearing ratio (Debt to Total capital)	0.85	1.38	0.77	1.38

4 Fair value measurement

The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques. The Group and the Company measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted prices (unadjusted) in active markets for identified assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from price).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs).

The following table represents the fair value level of the financial assets and liabilities that are measured at fair value at the end of the reporting period.

As at 31 December	Measurement criteria and the fair value – Group							
	Level 1 Rs.000		Level 2 Rs.000		Level 3 Rs.000		Total Rs.000	
	2025	2024	2025	2024	2025	2024	2025	2024
Financial assets								
Financial assets at fair value through profit or loss (FVPL)								
- Investment in quoted equities	3,976	3,226	233,204	-	-	-	237,180	3,226
- Investment in unquoted equities	-	-	-	-	247,246	753,763	247,246	753,763
Derivative financial assets / liabilities	-	-	154,518	(4,396)	-	-	154,518	(4,396)
Financial assets at fair value through other comprehensive income (FVOCI)								
- Investment in unquoted equities	-	-	-	-	637,569	637,458	637,569	637,458

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(c) Financial instruments in level 3

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques and if one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

The Group applies the following methods for valuation of financial assets at FVTPL and FVOCI.

Notes to the Financial Statements

(i) Discounted cash flows

Fair value of the unlisted securities is determined by applying discounted cash flow model using cash flow projection based on the forecasts covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rate. The growth rate does not exceed the long-term average growth rate for the business in which the entities operate.

(ii) Price of a recent investment

This method is applied in the case of a recent investment in start-up entities. There are usually no significant profits or positive cash flows in the short-term future, and it is difficult to assess the probability and financial impact of the success or failure of these investments, to make reliable cash flow forecasts. The fair value is determined based on the price of a recent investment which reflects market data.

(iii) Transfers between levels

During the fourth quarter, DADIF's investment in InsureMe Insurance Brokers PLC was listed on the Empower Board of the Colombo Stock Exchange; however, as the company remains in a lock-in period for sales, it is assumed that there is no active market for this investment. Accordingly, the investment is classified under Level 2 of the fair value hierarchy.

The following table presents the changes in level 3 items for the year ended 31 December 2025 and 31 December 2024.

	Unlisted equity securities at FVTPL	Unlisted equity securities at FVOCI	Total
As at 1 January 2024	763,685	565,685	1,329,370
Net fair value (loss) /gain	(9,922)	(25,047)	(34,969)
Additions	-	96,820	96,820
As at 31 December 2024	753,763	637,458	1,391,221
Net fair value loss	(39,610)	(29,889)	(69,499)
(Disposals) / additions	(233,703)	30,000	(203,703)
Transfers out of Level 3 (Note 4.c.(iii))	(233,204)	-	(233,204)
As at 31 December 2025	247,246	637,569	884,815

Description	Fair value		Unobservable input	Relationship of unobservable input to the fair value		
	2025	2024		Change in assumption	Increase in assumption	Decrease in assumption
Unlisted equity securities at FVTPL	166,720	351,867	Cash flow projection based on the forecasts covering a five-year period	Discount rate by 1%	Reduce the fair value by Rs. 4.69Mn	Increase the fair value by Rs. 5.34Mn
	80,526	401,896	Price contained within an offered quote	-	-	-
Unlisted equity securities at FVOCI	635,064	635,100	Cash flow projection based on the forecasts covering a five-year period	Discount rate by 1%	Reduce the fair value by 33.05Mn	Increase the fair value by 37.28Mn
	2,505	2,358	Adjusted net asset value per share	Adjusted net assets per share by 5%	Increase by Rs. 0.13Mn	Decrease by Rs. 0.13Mn

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. The following table represents the fair value level of the financial assets and liabilities that are not measured at fair value and related fair value hierarchy used at the end of the reporting period. The table lists those financial instruments for which their carrying amounts are a reasonable approximation of fair values. Since, they are short term in nature or re-priced to current market rates frequently.

	Carrying value	Level 1	Level 2	Level 3	Total
As at 31 December 2025					
Other financial assets at amortised cost - Loans and advance	9,209,716	-	9,209,716	-	9,209,716
As at 31 December 2024					
Other financial assets at amortised cost - Loans and advance	6,542,825	-	6,542,825	-	6,542,825

5 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and the Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment assessment of goodwill

The Group tests goodwill for impairment annually in accordance with its accounting policy stated in note 2.5 to the financial statements and whenever events or change in circumstances indicate that this is necessary within the financial year. The recoverable amounts of cash-generating units have been determined based on Value In Use ('VIU') and Fair Value Less Cost to Sell ('FVLCS') calculations. These calculations require the use of estimates and are disclosed in note 7 to the financial statements.

(b) Estimated useful lives of PPE and intangible assets

The Group and the Company review annually the estimated useful lives of PPE and intangible assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of PPE and intangible assets would increase the recorded depreciation and amortisation charge and decrease the carrying value.

(c) Estimation of income taxes in relation to uncertain tax position

Judgment is involved in determining the Company's and the Group's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for tax matters based on estimates of whether additional taxes will be due. If the final outcome of these tax matters results in a difference in the amounts initially recognised, such differences will impact the income tax and/or deferred income tax provisions in the period in which such determination is made.

(d) Recognition of deferred income tax assets

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised. This involves judgment regarding future financial performance of a particular entity in which the deferred income tax asset has been recognised.

(e) Fair value of derivatives and other financial assets

Certain financial instruments such as investments, derivative financial instruments and certain elements of borrowings are carried on the statement of financial position at fair value, with changes in fair value reflected in the statement of comprehensive income.

Fair values are estimated by reference in part to published price quotations and in part by using valuation techniques. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group and the Company use judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each financial reporting period.

Notes to the Financial Statements

(f) Impairment of non-financial assets

The Group and the Company test annually the indicators to ascertain whether non-financial assets (including intangibles) have suffered any impairment, in accordance with the accounting policy stated in note 2.5 and 2.8 to the financial statements. These calculations require the use of estimates.

(g) Estimation of defined benefit plan

The present value of the defined benefit plan depends on several factors that are determined on an actuarial basis using several assumptions. The assumptions used in determining the net cost (income) for defined benefit plan include the discount rate, future salary increase rate, mortality rate, withdrawal and disability rates and retirement age. Any changes in these assumptions will impact the carrying amount of defined benefit plan. The Group and the Company determine the appropriate discount rate at the end of each financial reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows, expected to be required to settle the defined benefit plan. In determining the appropriate discount rate, the Group and the Company consider the interest yield of long-term Government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related defined benefit plan. Other key assumptions for defined benefit plan are based in part on current market conditions as disclosed in note 24 to the financial statements.

(h) Asset retirement obligations ('ARO')

ARO applies when there is a legal or constructive obligation associated with the retirement of tangible long-lived assets, and the liability can be reliably estimated. The assumptions used in determining the ARO include the discount rate and inflation rate as disclosed in note 25 to the financial statements.

(i) Estimation of provisions

The Group and the Company recognise provisions when they have a present legal or constructive obligation arising because of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made. The recording of provisions requires the application of judgments about the ultimate resolution of these obligations. As a result, provisions are reviewed at the end of each financial reporting period and adjusted to reflect the Company's and the Group's current best estimate.

(j) Estimation of contingent liabilities

Determination of the treatment of contingent liabilities in the financial statements is based on the management's view of the expected outcome of the applicable contingency. The Group and the Company consult with legal counsel on matters related to litigation and other experts both within and outside the Group and the Company with respect to matters in the ordinary course of business.

(k) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's and Group's history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

(l) Recognition of revenue

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling price. Where the Group and the Company do not sell equivalent goods or services in similar circumstances on a standalone basis it is necessary to estimate the

standalone price. When estimating the standalone price, the Group and the Company maximise the use of external inputs; methods for estimating standalone prices include determining the standalone price of similar goods and services sold by the Group and the Company, observing the standalone prices for similar goods and services when sold by third parties or using a cost-plus reasonable margin approach.

When the Group and the Company have control of goods or services when they are delivered to a customer, then the Group is the principal in the sale to the customer; otherwise, the Group and the Company are acting as agents. Whether the Group and the Company are considered to be the principal or an agent in the transaction depends on analysis by management of both the legal form and substance of the agreement between the Group and its business partners; such judgements impact the amount of reported revenue and operating expenses.

(m) Estimation in relation to lease accounting

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is exercised (or not exercised) or the Group and the Company become obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(n) Estimation in relation to contract cost assets

Costs that are directly related to the acquisition and fulfilment of customer contracts are recognised as contract cost assets and amortised on a systematic basis that is consistent with the fulfilment of the performance obligation. Contract cost assets are assessed at each reporting date whether there is any indication that the subscriber acquisition cost may be impaired.

(o) Going concern

When preparing financial statements, management shall make an assessment of the Group's ability to continue as a going concern. Financial statements shall be prepared on a going concern basis unless management either intends to liquidate the Company or to cease trading or has no realistic alternative but to do so. When the management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, those uncertainties shall be disclosed. Where the financial statements are not prepared on a going concern basis, that fact shall be disclosed, together with the basis on which the financial statements are prepared and the reason why the entity is not regarded as a going concern.

The Group and the Company have reported a net current liability position at the reporting date. The management has however taken proactive steps to secure banking facilities at favourable rates, which are expected to optimise working capital requirements and enhance liquidity. Furthermore, based on cashflow projections and the expectation of a positive economic environment, management anticipates positive cash flows from operations.

(p) Business combinations

The determination of fair value of assets acquired and liabilities assumed during a business combination requires management to make significant assumptions and estimates. The fair values were determined using appropriate valuation techniques. The fair value estimates have a significant impact on the recognition of goodwill and allocation of the purchase price. Hence, this required careful judgement and expertise supported by third party valuation experts.

6 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The revenue, cost, depreciation, amortisation, impairment, total assets, total liabilities and capital expenditure have been allocated to the respective segments based on the internal reporting basis under the below stated segments.

The reportable segments derive their revenue primarily from the provision of mobile services, data services, international direct dialling services, leasing of passive infrastructure, provision of interconnect services, pay television transmission services, provision of other data services and digital services.

At 31 December 2025, the Group is organised into three main business segments:

- Mobile operation
- Fixed telephony and broadband operation
- Television operations

Notes to the Financial Statements

6 Segment information (Contd.)

	Mobile operation	Fixed telephony and broadband operation	Television operation	Elimination/ Adjustment	Group
Total segmental revenue	145,846,313	35,497,306	12,934,585	-	194,278,204
Inter-segment revenue	(8,120,789)	(6,453,452)	(63,131)	-	(14,637,372)
Revenue from external customers	137,725,524	29,043,854	12,871,454	-	179,640,832
Segment operating profit for the year	30,855,056	8,119,676	(291,656)	(74,750)	38,608,326
Finance cost - net					(11,891,301)
Share of loss from associates - net of tax					(47,115)
Profit before income tax					26,669,910
Income tax expense					(5,909,912)
Profit for the year					20,759,998

Other segment items included in the statement of comprehensive income are as follows:

	Mobile operation	Fixed telephony and broadband operation	Television operation	Elimination/ Adjustment	Group
Depreciation, amortisation and impairment	33,643,559	11,502,025	3,020,010	-	48,165,594

The segment assets and liabilities at 31 December 2025 and capital expenditure for the year then ended are as follows:

	Mobile operation	Fixed telephony and broadband operation	Television operation	Elimination/ Adjustment	Group
Assets	254,617,401	75,606,878	12,152,025	(38,578,098)	303,798,206
Inter-segment assets	(5,341,896)	(22,008,861)	(972,263)	-	(28,323,020)
Total assets	249,275,505	53,598,017	11,179,762	(38,578,098)	275,475,186
Liabilities	175,482,250	23,085,588	15,673,077	-	214,240,915
Inter-segment liabilities	(25,077,442)	(552,093)	(3,148,922)	-	(28,778,457)
Total liabilities	150,404,808	22,533,495	12,524,155	-	185,462,458
Capital expenditure	18,382,926	8,410,315	194,840	-	26,988,081

The segment results for the year ended 31 December 2024 are as follows:

	Mobile operation	Fixed telephony and broadband operation	Television operation	Elimination/Adjustment	Group
Total segmental revenue	126,794,179	49,139,517	12,453,615	-	188,387,311
Inter-segment revenue	(11,007,172)	(6,175,880)	(33,979)	-	(17,217,031)
Revenue from external customers	115,787,007	42,963,637	12,419,636	-	171,170,280
Segment operating profit for the year	17,881,434	4,032,056	(987,094)	(147,873)	20,778,523
Finance income - net					(4,603,612)
Share of loss from associates - net of tax					(34,585)
Profit before income tax					16,140,326
Income tax expense					(3,705,458)
Profit for the year					12,434,868

Other segment items included in the statement of comprehensive income are as follows:

	Mobile operation	Fixed telephony and broadband operation	Television operation	Elimination/Adjustment	Group
Depreciation, amortisation and impairment	31,427,441	11,222,273	3,136,792	-	45,786,506

Notes to the Financial Statements

6 Segment information (Contd.)

The segment assets and liabilities at 31 December 2024 and capital expenditure for the year then ended are as follows:

	Mobile operation	Fixed telephony and broadband operation	Television operation	Elimination/ Adjustment	Group
Assets	288,494,907	70,801,734	10,816,693	(38,688,703)	331,424,631
Inter-segment assets	(7,651,117)	(13,077,941)	(1,548,219)	-	(22,277,277)
Total assets	280,843,790	57,723,793	9,268,474	(38,688,703)	309,147,354
Liabilities	215,666,567	24,390,151	13,664,653	-	253,721,371
Inter-segment liabilities	(20,275,868)	(1,185,852)	(1,392,260)	-	(22,853,980)
Total liabilities	195,390,699	23,204,299	12,272,393	-	230,867,391
Capital expenditure	29,229,842	6,978,513	32,558	-	36,240,913

7 Intangible assets

(a) Group

	Goodwill	Licenses	Computer software	Others	Total
As at 31 December 2025					
Cost					
At the beginning of the year	23,696,805	24,944,870	27,258,738	2,796,618	78,697,031
Goodwill adjustment on Airtel acquisition (Note 36 (b))	934,374	-	-	-	934,374
At the beginning of the year - Restated	24,631,179	24,944,870	27,258,738	2,796,618	79,631,405
Additions	-	76,500	165,529	-	242,029
Transferred from property plant & equipment	-	2,770,116	1,118,430	5,994,940	9,883,486
Disposals	-	-	(138,631)	(4,687)	(143,318)
Adjustments	-	-	(7,941)	-	(7,941)
At the end of the year	24,631,179	27,791,486	28,396,125	8,786,871	89,605,661
Accumulated amortisation / Provision for impairment					
At the beginning of the year	(4,835,087)	(14,942,242)	(21,596,807)	(1,263,012)	(42,637,148)
Amortisation charge	-	(861,031)	(2,587,554)	(1,425,475)	(4,874,060)
Disposal	-	-	126,952	4,670	131,622
Adjustments	-	-	7,246	-	7,246
At the end of the year	(4,835,087)	(15,803,273)	(24,050,163)	(2,683,817)	(47,372,340)
Carrying amount	19,796,092	11,988,213	4,345,962	6,103,054	42,233,321
As at 31 December 2024					
Cost					
At the beginning of the year	9,653,481	20,502,335	23,657,172	1,271,141	55,084,129
Additions	-	-	89,553	-	89,553
Transferred from property plant & equipment	-	1,892,535	3,512,013	1,525,477	6,930,025
Additions from acquisition of subsidiary	14,043,324	2,550,000	-	-	16,593,324
At the end of the year	23,696,805	24,944,870	27,258,738	2,796,618	78,697,031
Accumulated amortisation / Provision for impairment					
At the beginning of the year	(4,835,087)	(13,364,379)	(18,167,342)	(1,263,012)	(37,629,820)
Amortisation charge	-	(1,577,863)	(3,429,465)	-	(5,007,328)
At the end of the year	(4,835,087)	(14,942,242)	(21,596,807)	(1,263,012)	(42,637,148)
Carrying amount	18,861,718	10,002,628	5,661,931	1,533,606	36,059,883

Notes to the Financial Statements

7 Intangible assets (Contd.)

(b) Company

	Goodwill	Licenses	Computer software	Others	Total
As at 31 December 2025					
Cost					
At the beginning of the year	14,043,324	18,977,142	24,525,189	2,739,868	60,285,523
Goodwill adjustment on Airtel acquisition (Note 36 (b))	934,374	-	-	-	934,374
At the beginning of the year - Restated	14,977,698	18,977,142	24,525,189	2,739,868	61,219,897
Additions	-	76,500	-	-	76,500
Transferred from property plant & equipment	-	-	1,001,413	5,994,940	6,996,353
Adjustments	-	-	(7,941)	-	(7,941)
At the end of the year	14,977,698	19,053,642	25,518,661	8,734,808	68,284,809
Accumulated amortisation / Provision for impairment					
At the beginning of the year	-	(9,944,829)	(19,716,030)	(1,206,286)	(30,867,145)
Amortisation charge	-	(493,899)	(2,296,727)	(1,425,470)	(4,216,096)
Adjustment	-	-	7,246	-	7,246
At the end of the year	-	(10,438,728)	(22,005,511)	(2,631,756)	(35,075,995)
Carrying amount	14,977,698	8,614,914	3,513,150	6,103,052	33,208,814
As at 31 December 2024					
Cost					
At the beginning of the year	-	15,335,888	21,433,412	1,214,391	37,983,691
Transferred from property plant & equipment	-	1,091,254	3,091,777	1,525,477	5,708,508
Additions from acquisition of subsidiary	14,043,324	2,550,000	-	-	16,593,324
At the end of the year	14,043,324	18,977,142	24,525,189	2,739,868	60,285,523
Accumulated amortisation / Provision for impairment					
At the beginning of the year	-	(8,723,669)	(16,560,647)	(1,206,286)	(26,490,602)
Amortisation charge	-	(1,221,160)	(3,155,383)	-	(4,376,543)
At the end of the year	-	(9,944,829)	(19,716,030)	(1,206,286)	(30,867,145)
Carrying amount	14,043,324	9,032,313	4,809,159	1,533,582	29,418,378

(c)

(i) Other intangible assets mainly include costs incurred to acquire the indefeasible right of use of under-sea cable.

(ii) As discussed in note 36 the goodwill and licenses recognised as part of the acquisition of Bharti Airtel Lanka (Private) Limited, was recognised in the Company's financial statements after the merger.

(d)

(i) Amortisation has been charged under following expense categories:

As at 31 December	Group		Company	
	2025	2024	2025	2024
Expense categories:				
Direct costs	2,366,766	1,577,864	1,964,392	1,221,160
Administrative costs	2,507,294	3,429,464	2,251,704	3,155,383
	4,874,060	5,007,328	4,216,096	4,376,543

(e) Impairment tests for goodwill

The Group undertakes an annual test for impairment of its Cash-Generating Units (CGUs).

The following CGUs, being the lowest level of assets for which there are separately identifiable cash flows, have carrying amounts of goodwill that are considered for the impairment test.

	2025	2024
Mobile operation	14,977,698	14,977,698
Fixed telephony and broadband operation	3,562,557	3,562,557
Device sales operation	231,923	231,923
Financial services operation	709,933	709,933
IT Services	221,512	221,512
Health Services	92,469	92,469
	19,796,092	19,796,092

The recoverable amounts of mobile operation, fixed telephony and broadband operation, device sales operation, financial services operation, IT services operation and health services operation CGUs are determined based on the Value In Use ("VIU") calculations which require the use of assumptions. The recoverable amount of financial services operation CGU is based on Fair Value Less Cost to Sell (FVLCS).

The Group applies the following methods for VIU and FVLCS calculations.

Notes to the Financial Statements

7 Intangible assets (Contd.)

(i) Discounted Cash Flow ('DCF') method

The VIU of mobile operation, fixed telephony and broadband operation, device sales operation, IT services operation and health services operation is calculated by applying DCF model using cash flow projections based on the business plan and forecasts approved by the management covering a three-year period. Cash flows beyond the three-year period are extrapolated using the estimated growth rates as stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGUs operate.

In the DCF model, the Free Cash Flows ('FCF') have been discounted by post-tax discount rate.

These forecasts and projections reflect management expectations of revenue growth, operating costs and margins for each CGU based on past experience and future plans and strategies.

(ii) Market value method

The FVLCS of the financial services operations was determined using the quoted share price of Dialog Finance PLC less costs to sell.

The following assumptions are applied in the VIU computation.

DCF method

- **EBITDA margin**

Projected EBITDA margin is determined based on expected growth potential in mobile operation, fixed telephony and broadband operation, device sales operation, IT service operation and health services operation tapping further into developing markets.

- **Free cash flow (FCF)**

FCF projections are based on EBITDA and Capital expenditure (Capex) projections.

- **Pre-tax discount rate**

The discount rate applied to the cash flow projections represents the Group's estimated pre-tax Weighted Average Cost of Capital (WACC), reflecting current market assessments of the time value of money and the risks specific to the asset or cash generating unit. The cash flows used in the impairment assessment are pre-tax cash flows and exclude the effects of financing activities.

- **Terminal growth rate**

Terminal growth reflects the management expectations on the mobile operation, fixed telephony and broadband operation, device sales operation, IT service operation and health service operation growth potential in Sri Lanka for the foreseeable future.

- **Capital expenditure to revenue ratio**

This is based on the historical expenditure of management, and this reflects the Group's anticipated investment in capital assets acquired to support its growth objectives and maintain operational efficiency. No incremental revenue or cost savings are assumed in VIU model as a result of this expenditure.

Given below are the variables used for the impairment tests pertaining to CGUs that have significant goodwill allocated to them for 2025 and 2024 under DCF method:

	Mobile Operations		Fixed telephony and broadband operation		Device sales operation		IT service operation	
	2025	2024	2025	2024	2025	2024	2025	2024
EBITDA margin %	50.3-52.4	40.3- 45.1	66.9-68.2	52.9-55.4	15-18.6	55	5-7.2	5.8
Capex to revenue ratio %	8.5-9.9	10.5-13.5	3.0-3.9	4.3-5.2	0	7.2	0	0
* Pre - tax discount rate %	18.3	12.0#	14.5	11.9#	13.5	11.2	13.5	11.2
Terminal growth rate %	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00

* Pre tax discount rate apply to the cash flow forecast were delight from the pre tax cash flows at the date of assessment of the respective CGUs that reflects the risk of the CGUs.

Due to the impending expiration of tax concession in year 2027 management has adopted a multi-stage approach in discontinuing the cash flows to consider the tax impact.

Market value method

Market value is established based on the closing share price of Dialog Finance PLC as at 31 December 2025, quoted on the Colombo Stock Exchange. Costs to sell are established based on the transaction costs applicable for equity securities.

(f) Impact of possible changes in key assumptions

The Group's review includes an impact assessment of change in key assumptions. Sensitivity analysis shows that no impairment is required for the carrying value of the goodwill including where realistic variances are applied to key assumptions.

The recoverable amounts of the mobile operations, fixed telephony and broadband operation, device sales operation and IT service operation CGUs would equal its carrying amount if the key assumptions were to change as follows:

	Mobile Operations		Fixed telephony and broadband operation		Device sales operation		IT service operation	
	From	To	From	To	From	To	From	To
EBITDA margin %	50.3	52.4	66.9	68.2	15	18.6	5.0	7.2
Capex to revenue ratio %	8.5	9.9	3.0	3.9	N/A	N/A	N/A	N/A
Terminal growth rate %	3.0	N/A	3.0	N/A	3.0	N/A	3.0	N/A

N/A - Any changes in the respective assumptions will not have a considerable impact on the above assessment.

(g) Impairment of goodwill of fixed telephony and broadband operations and television operations

Based on the impairment assessment performed using free cashflow forecasts, no impairment was identified during the current financial year.

Notes to the Financial Statements

8 Property, plant and equipment

(a) Group

	Land and buildings	Computer systems and telecom equipment	Furniture, fittings and other equipment	Motor vehicles	Capital work-in progress (CWIP)	Total
As at 31 December 2025						
Cost						
At the beginning of the year	6,518,379	400,045,009	13,346,874	108,639	19,841,554	439,860,455
Goodwill adjustment on Airtel acquisition (Note 36 (b))	-	(986,008)	-	-	-	(986,008)
At the beginning of the year - Restated	6,518,379	399,059,001	13,346,874	108,639	19,841,554	438,874,447
Additions	-	290,380	13,313	501	26,988,081	27,292,275
Transferred from CWIP	269,330	24,480,524	113,140	-	(24,862,994)	-
Transferred to intangible assets	-	-	-	-	(9,883,486)	(9,883,486)
Disposals	(23,835)	(23,817)	(5,595)	(3,968)	(2,435)	(59,650)
Written off	-	(4,946,760)	(23,136)	-	(2,292)	(4,972,188)
Adjustments	23,696	(26,959)	11,204	-	-	7,941
At the end of the year	6,787,570	418,832,369	13,455,800	105,172	12,078,428	451,259,339
Accumulated depreciation/ Provision for impairment						
At the beginning of the year	(2,666,686)	(265,130,716)	(12,850,955)	(107,879)	(984,212)	(281,740,448)
Goodwill adjustment on Airtel acquisition (Note 36 (b))	-	51,634	-	-	-	51,634
At the beginning of the year - Restated	(2,666,686)	(265,079,082)	(12,850,955)	(107,879)	(984,212)	(281,688,814)
Depreciation charge	(278,110)	(31,346,678)	(186,781)	(397)	-	(31,811,966)
Impairment	-	(619,294)	-	-	(381,931)	(1,001,225)
Disposal	8,988	17,934	5,897	3,938	2,034	38,791
Written off	-	4,874,335	23,126	-	2,292	4,899,753
Adjustments	(74)	(7,126)	(45)	-	-	(7,245)
At the end of the year	(2,935,882)	(292,159,911)	(13,008,758)	(104,338)	(1,361,817)	(309,570,706)
Carrying amount	3,851,688	126,672,458	447,042	834	10,716,611	141,688,633
As at 31 December 2024						
Cost						
At the beginning of the year	6,452,496	361,520,367	13,265,110	108,639	21,080,244	402,426,856
Additions	-	33,488	2,354	-	36,205,071	36,240,913
Transferred to CWIP	1,522	30,512,920	83,911	-	(30,598,353)	-
Transferred to intangible assets	-	-	-	-	(6,930,025)	(6,930,025)
Acquisition of subsidiary	64,361	8,085,438	3,399	-	84,617	8,237,815
Disposals	-	(107,204)	(7,900)	-	-	(115,104)
At the end of the year	6,518,379	400,045,009	13,346,874	108,639	19,841,554	439,860,455
Accumulated depreciation/ Provision for impairment						
At the beginning of the year	(2,382,517)	(235,101,489)	(12,593,691)	(106,320)	(963,992)	(251,148,009)
Depreciation charge	(284,169)	(29,759,451)	(257,351)	(1,559)	(300)	(30,302,830)
Impairment	-	(269,776)	87	-	(19,920)	(289,609)
At the end of the year	(2,666,686)	(265,130,716)	(12,850,955)	(107,879)	(984,212)	(281,740,448)
Carrying amount	3,851,693	134,914,293	495,919	760	18,857,342	158,120,007

(b) Company

	Land and buildings	Computer systems and telecom equipment	Furniture, fittings and other equipment	Motor vehicles	Capital work-in progress (CWIP)	Total
As at 31 December 2025						
Cost						
At the beginning of the year	5,211,970	284,467,035	4,949,823	39,696	16,813,311	311,481,835
Goodwill adjustment on Airtel acquisition (Note 36 (b))	-	(986,008)	-	-	-	(986,008)
At the beginning of the year - Restated	5,211,970	283,481,027	4,949,823	39,696	16,813,311	310,495,827
Additions	-	228,509	-	-	18,382,926	18,611,435
Transferred from CWIP	269,330	19,024,528	63,557	-	(19,357,415)	-
Transferred to intangible assets	-	-	-	-	(6,996,353)	(6,996,353)
Disposals	-	(9,175)	-	(2,728)	-	(11,903)
Written off	-	(4,386,182)	(23,136)	-	(2,292)	(4,411,610)
Adjustments	23,696	(26,959)	11,204	-	-	7,941
At the end of the year	5,504,996	298,311,748	5,001,448	36,968	8,840,177	317,695,337
Accumulated depreciation/ Provision for impairment						
At the beginning of the year	(2,222,073)	(182,306,038)	(4,644,159)	(39,696)	(431,996)	(189,643,962)
Goodwill adjustment on Airtel acquisition (Note 36 (b))	-	51,634	-	-	-	51,634
At the beginning of the year - Restated	(2,222,073)	(182,254,404)	(4,644,159)	(39,696)	(431,996)	(189,592,328)
Depreciation	(238,047)	(23,430,811)	(144,692)	-	-	(23,813,550)
Impairment	-	(537,643)	-	-	(54,319)	(591,962)
Disposal	-	5,259	-	2,728	-	7,987
Written off	-	4,386,191	23,126	-	2,292	4,411,609
Adjustments	(74)	(7,127)	(43)	-	-	(7,244)
At the end of the year	(2,460,194)	(201,838,535)	(4,765,768)	(36,968)	(484,023)	(209,585,488)
Carrying amount	3,044,802	96,473,213	235,680	-	8,356,154	108,109,849
As at 31 December 2024						
Cost						
At the beginning of the year	5,146,087	251,733,076	4,864,753	39,696	18,043,280	279,826,892
Additions	-	-	105	-	29,232,255	29,232,360
Transferred to CWIP	1,522	24,755,245	81,566	-	(24,838,333)	-
Transferred to intangible assets	-	-	-	-	(5,708,508)	(5,708,508)
Acquisition of subsidiary	64,361	8,085,438	3,399	-	84,617	8,237,815
Disposals	-	(106,724)	-	-	-	(106,724)
At the end of the year	5,211,970	284,467,035	4,949,823	39,696	16,813,311	311,481,835
Accumulated depreciation/ Provision for impairment						
At the beginning of the year	(1,992,208)	(160,666,823)	(4,423,447)	(39,166)	(415,540)	(167,537,184)
Depreciation charge	(229,865)	(21,389,283)	(220,712)	(530)	-	(21,840,390)
Impairment	-	(249,932)	-	-	(16,456)	(266,388)
At the end of the year	(2,222,073)	(182,306,038)	(4,644,159)	(39,696)	(431,996)	(189,643,962)
Carrying amount	2,989,897	102,160,997	305,664	-	16,381,315	121,837,873

Notes to the Financial Statements

8 Property, plant and equipment (Contd.)

(c) Capital work-in progress mainly comprises network related assets.

(d) Depreciation expense has been charged under following expense categories:

	Group		Company	
	2025	2024	2025	2024
Expense categories:				
Direct costs	29,065,652	29,733,748	23,346,795	21,389,284
Administrative costs	2,746,314	569,082	466,755	451,106
	31,811,966	30,302,830	23,813,550	21,840,390

(e) Impairment provisions and assets written off have been charged under following expense categories:

	Group		Company	
	2025	2024	2025	2024
Expense categories:				
Administrative costs	1,001,225	289,609	591,962	266,388
	1,001,225	289,609	591,962	266,388

(f) At 31 December 2025, property, plant and equipment include fully depreciated assets that are still in use, the cost of which amounted to Rs. 199,467Mn (2024 - Rs. 174,235Mn) and Rs. 134,153Mn (2024 - Rs. 117,797Mn), for the Group and the Company respectively.

(g) Property, plant and equipment are not pledged as securities for any financing arrangements.

(h) The impairment provision relates to assets which are technologically obsolete, and assets decommissioned or discontinued.

9 Leases

(a) Amounts recognised in the statement of financial position

(i) Right-of-use assets

	Land	Buildings	Advertising boards	Network-Infrastructure	Total
Group					
As at 31 December 2025					
Cost					
At the beginning of the year	19,355,593	4,531,485	2,922,009	1,922,366	28,731,453
Additions	1,710,323	784,480	137,493	-	2,632,296
Disposals	(1,267,477)	-	(215,005)	(1,020,039)	(2,502,521)
At the end of the year	19,798,439	5,315,965	2,844,497	902,327	28,861,228
Accumulated amortisation					
At the beginning of the year	(10,492,888)	(3,841,537)	(2,645,005)	(890,100)	(17,869,530)
Amortisation charge	(1,851,323)	(451,969)	(284,031)	(197,783)	(2,785,106)
Disposal	516,569	-	184,761	507,926	1,209,256
At the end of the year	(11,827,642)	(4,293,506)	(2,744,275)	(579,957)	(19,445,380)
Carrying amount	7,970,797	1,022,459	100,222	322,370	9,415,848
As at 31 December 2024					
Cost					
At the beginning of the year	15,055,289	4,520,965	2,368,000	573,538	22,517,792
Additions	1,671,004	40,016	554,009	-	2,265,029
Acquisition of subsidiary	2,761,271	-	-	1,806,071	4,567,342
Disposals	(131,971)	(29,496)	-	(457,243)	(618,710)
At the end of the year	19,355,593	4,531,485	2,922,009	1,922,366	28,731,453
Accumulated amortisation					
At the beginning of the year	(8,050,487)	(3,490,606)	(2,368,000)	(296,350)	(14,205,443)
Amortisation charge	(1,541,188)	(372,234)	(277,005)	(151,467)	(2,341,894)
Acquisition of subsidiary	(943,040)	-	-	(604,805)	(1,547,845)
Disposal	41,827	21,303	-	162,522	225,652
At the end of the year	(10,492,888)	(3,841,537)	(2,645,005)	(890,100)	(17,869,530)
Carrying amount	8,862,705	689,948	277,004	1,032,266	10,861,923

Notes to the Financial Statements

9 Leases (Contd.)

	Land	Buildings	Advertising boards	Network-Infrastructure	Total
Company					
As at 31 December 2025					
Cost					
At the beginning of the year	18,761,873	4,307,490	2,922,009	1,922,366	27,913,738
Additions	1,563,062	697,627	137,493	-	2,398,182
Disposals	(1,264,790)	-	(215,005)	(1,020,039)	(2,499,834)
At the end of the year	19,060,145	5,005,117	2,844,497	902,327	27,812,086
Accumulated Amortisation					
At the beginning of the year	(10,095,503)	(3,620,435)	(2,645,005)	(890,101)	(17,251,044)
Amortisation	(1,794,106)	(419,422)	(284,031)	(197,783)	(2,695,342)
Disposal	514,330	-	184,761	507,926	1,207,017
At the end of the year	(11,375,279)	(4,039,857)	(2,744,275)	(579,958)	(18,739,369)
Carrying amount	7,684,866	965,260	100,222	322,369	9,072,717
As at 31 December 2024					
Cost					
At the beginning of the year	14,497,460	4,305,976	2,368,000	573,538	21,744,974
Additions	1,631,039	1,514	554,009	-	2,186,562
Acquisition of subsidiary	2,761,271	-	-	1,806,071	4,567,342
Disposals	(127,897)	-	-	(457,243)	(585,140)
At the end of the year	18,761,873	4,307,490	2,922,009	1,922,366	27,913,738
Accumulated Amortisation					
At the beginning of the year	(7,704,604)	(3,275,131)	(2,368,000)	(296,351)	(13,644,086)
Amortisation	(1,487,570)	(345,304)	(277,005)	(151,467)	(2,261,346)
Acquisition of subsidiary	(943,040)	-	-	(604,805)	(1,547,845)
Disposal	39,711	-	-	162,522	202,233
At the end of the year	(10,095,503)	(3,620,435)	(2,645,005)	(890,101)	(17,251,044)
Carrying amount	8,666,370	687,055	277,004	1,032,265	10,662,694

(ii) Lease liabilities

	Group		Company	
	2025	2024	2025	2024
Current	1,812,334	1,685,480	1,707,607	1,659,529
Non-current	9,427,146	10,834,404	9,151,770	10,614,105
	11,239,480	12,519,884	10,859,377	12,273,634

(b) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	Group		Company	
	2025	2024	2025	2024
Depreciation charge of right-of-use assets	2,785,106	2,341,894	2,695,342	2,261,346
Interest expense (included in finance costs) [Note 30]	1,882,671	1,713,744	1,824,251	1,667,101
	4,667,777	4,055,638	4,519,593	3,928,447

(c) The total cash outflow for leases are Rs. 4,165Mn (2024 - Rs. 4,167Mn) and Rs. 4,017Mn (2024 - Rs. 4,077Mn) for the Group and the Company respectively.

Notes to the Financial Statements

10 Investment in subsidiaries

Name of the subsidiary	2025			2024		
	% Holding		Investment	% Holding		Investment
	Group	Company		Group	Company	
Dialog Broadband Networks (Private) Limited ('DBN')	100%	100%	34,224,101	100%	100%	34,224,101
Dialog Television (Private) Limited ('DTV')	100%	100%	-	100%	100%	-
Dialog Finance PLC ('DFP')	99.05%	99.05%	3,924,108	99.05%	99.05%	3,924,108
Digital Holdings Lanka (Private) Limited ('DHL')	100%	100%	796,871	100%	100%	796,871
Dialog Device Trading (Private) Limited ('DDT')	100%	100%	1,672,988	100%	100%	1,672,988
Communiq Broadband Network (Private) Limited ('CBN')	100%	-	-	100%	-	-
Telecard (Private) Limited	100%	-	-	100%	-	-
Digital Commerce Lanka (Private) Limited ('DCL')	100%	0.97%	-	100%	0.97%	-
Dialog Business Services (Private) Limited ('DBS')	100%	100%	-	100%	100%	-
Digital Health (Private) Limited ('DH')	56.82%	-	-	56.51%	-	-
Dialog Axiata Digital Innovation Fund (Private) Limited ('DADIF')	95.74%	-	-	94.23%	-	-
Dialog Network Services (Private) Limited ('DNS')	100%	100%	57,000	100%	100%	57,000
Headstart (Private) Limited ('Headstart')	98.38%	-	-	97.81%	-	-
H-One (Private) Limited ('HONE')	100%	-	-	100%	-	-
My Health Solutions (Private) Limited ('MHS')	56.82%	-	-	56.51%	-	-
			40,675,068			40,675,068

Name of the subsidiary	Principal activities	Country of incorporation and place of business
Dialog Broadband Networks (Private) Limited	Data and backbone, fixed wireless and transmission infrastructure	Sri Lanka
Dialog Television (Private) Limited	Television broadcasting services and direct-to-home satellite pay television service	Sri Lanka
Dialog Finance PLC	Financing services including acceptance of deposits, granting lease facilities, hire purchase, loan facilities, margin trading, cheque discounting and factoring etc.	Sri Lanka
Digital Holdings Lanka (Private) Limited	Investment holding company for new business areas of Dialog Group	Sri Lanka
Dialog Device Trading (Private) Limited	Selling information technology enabled equipment	Sri Lanka
Communiq Broadband Network (Private) Limited	Information technology enabled services; This Company remained dormant during the year.	Sri Lanka
Telecard (Private) Limited	Providing digital credit facilities	Sri Lanka
Digital Commerce Lanka (Private) Limited	eCommerce and digital marketing services; This Company remained dormant during the year.	Sri Lanka
Dialog Business Services (Private) Limited	Providing manpower for call centre operations	Sri Lanka
Digital Health (Private) Limited	Developing and operating a state-of-the-art electronic commerce infrastructure for the healthcare sector	Sri Lanka
Dialog Axiata Digital Innovation Fund (Private) Limited	Establishing and operating a venture capital fund for the investment in digital start-up businesses	Sri Lanka
Dialog Network Services (Private) Limited ('DNS')	Carrying out the business of providing network development, operations and maintenance services	Sri Lanka
Headstart (Private) Limited	e-learning products and services	Sri Lanka
H-One (Private) Limited	Carrying out the business of importers, exporters, agents and distributors, and traders in software licenses	Sri Lanka
My Health Solutions (Private) Limited	Developing and operating a state-of-the-art electronic commerce infrastructure for the healthcare sector. This company remains dormant during the year	Sri Lanka

11 Investment in associates

	Group	
	2025	2024
At 1 January	-	34,585
Investment during the year	47,115	-
Share of loss	(47,115)	(34,585)
At 31 December	-	-

Notes to the Financial Statements

11 Investment in associates (Contd.)

Name of the associate	Principal activities	Measurement method	Country of incorporation and place of business	% Holding
Digital Reality (Private) Limited ('DRP')	Establish, operate and manage a data centre	Equity method	Sri Lanka	35%
Firstsource Dialog Solutions (Private) Limited ('FDSL')	Providing call centre operation	Equity method	Sri Lanka	26%

Investment in FDSL was fully impaired since the entity is dormant.

(a) The summarised financial information of Digital Reality (Private) Limited is as follows:

Financial performance	Digital Reality (Private) Limited	
	2025	2024
Income	97,462	86,366
Expenses	(126,076)	(294,260)
Loss before tax	(28,614)	(207,894)
Income tax expense	-	-
Loss after tax	(28,614)	(207,894)

Financial position	Digital Reality (Private) Limited	
	2025	2024
Non-current assets	457,962	559,540
Current assets	68,912	63,614
Non-current liabilities	(301,467)	(532,008)
Current liabilities	(225,407)	(91,146)
Net assets	-	-

The reconciliation of net assets of associates are as follows.

	Digital Reality (Private) Limited	
	2025	2024
Opening net assets - 1 January	-	91,447
Loss for the period	-	(91,447)
Net assets	-	-

12 Financial instruments

(a) Financial instruments by category

The Group holds the following financial instruments:

Financial assets	Group		Company	
	2025	2024	2025	2024
Financial assets at amortised cost				
- Trade and other receivables excluding prepayments	34,135,283	45,047,272	22,072,285	32,792,516
- Other financial assets at amortised cost	9,209,716	6,542,825	-	-
- Cash and cash equivalents [Note 16 (a)]	19,050,199	33,785,614	14,995,399	27,776,009
Financial assets at Fair Value through Other Comprehensive Income ('FVOCI')	637,569	637,458	-	-
Financial assets at Fair Value through Profit or Loss ('FVTPL')	480,450	753,763	-	-
Derivative financial assets	154,518	-	100,104	-

Financial liabilities	Group		Company	
	2025	2024	2025	2024
Liabilities at amortised cost and FVTPL				
- Trade and other payables	42,547,707	57,499,582	51,300,805	56,048,841
- Borrowings	76,486,034	107,693,634	57,038,139	93,273,847
- Other financial liabilities (Note 20)	3,619,807	3,269,737	-	4,396
- Lease liabilities	11,239,480	12,519,884	10,859,377	12,273,634

(b) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or historical information about counterparty default risk.

Notes to the Financial Statements

12 Financial instruments (Contd.)

	Group		Company	
	2025	2024	2025	2024
Trade receivables				
Subscribers				
- Individual	4,569,055	4,805,455	1,978,078	2,204,526
- Corporate	7,438,475	6,316,699	4,143,867	3,501,742
Operators				
- Domestic	7,225,147	8,697,872	3,536,952	6,682,733
- International	1,221,943	2,524,113	960,261	639,360
Distributors	896,135	1,320,129	669,573	1,308,704
Others	183,709	1,466,063	4,251	1,458
	21,534,464	25,130,331	11,292,982	14,338,523

The aging of the trade receivables that are past due but not impaired is disclosed in the note 15 (d) to the financial statements.

	Group		Company	
	2025	2024	2025	2024
AAA lka	3,347,399	3,523,639	2,345,444	2,978,951
AA lka	2,849,311	811,871	3,997,310	968,155
A+ lka to A- lka	5,748,928	21,108,085	2,530,599	16,231,845
Below A	6,503,802	7,603,914	6,056,440	6,826,019
Non- rated	131,917	283,568	486	255,726
Cash in hand	468,842	454,537	65,120	515,313
At 31 December	19,050,199	33,785,614	14,995,399	27,776,009

The carrying amounts of cash and cash equivalents are denominated in following currencies:

	Group		Company	
	2025	2024	2025	2024
Cash at bank and in hand				
Sri Lanka rupees	7,643,511	8,071,676	4,551,694	5,117,408
United States dollars	3,972,579	4,775,499	3,379,709	4,775,499
	11,616,090	12,847,175	7,931,403	9,892,907
Short-term bank deposits				
Sri Lanka rupees	1,086,204	1,541,267	716,091	1,541,268
United States dollars	6,347,905	19,397,172	6,347,905	16,341,834
	7,434,109	20,938,439	7,063,996	17,883,102
Cash and cash equivalents	19,050,199	33,785,614	14,995,399	27,776,009

(c) Offsetting financial assets and liabilities

Following financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis.

Group	Effect of offsetting on the statement of financial position		
	Gross amount receivable / (payable)	Gross amount set off	Net receivable / (payable) amount presented
At December 2025			
Trade and other receivables	44,902,534	(14,373,829)	30,528,705
Trade and other payables	(26,977,612)	14,373,829	(12,603,783)
At December 2024			
Trade and other receivables	21,590,778	(5,286,565)	16,304,213
Trade and other payables	(5,972,860)	5,286,565	(686,295)

Company	Effect of offsetting on the statement of financial position		
	Gross amount receivable / (payable)	Gross amount set off	Net receivable / (payable) amount presented
At December 2025			
Trade and other receivables	24,410,418	(14,636,782)	9,773,636
Trade and other payables	(38,111,092)	14,636,782	(23,474,310)
At December 2024			
Trade and other receivables	53,358,622	(49,959,493)	3,399,129
Trade and other payables	(60,957,138)	49,959,493	(10,997,645)

Notes to the Financial Statements

13 Other financial assets

	Note	Group	
		2025	2024
Non-current			
Other financial assets at amortised cost	(a)	2,415,260	2,624,387
Financial assets at Fair Value through Other Comprehensive Income ('FVOCI')	(c)	637,569	637,458
Financial assets at Fair Value through Profit or Loss ('FVTPL')	(d)	480,450	753,763
		3,533,279	4,015,608
Current			
Other financial assets at amortised cost	(a)	7,820,691	3,918,438
Financial assets at FVTPL	(d)	3,975	3,226
Derivative financial assets		154,518	-
		7,979,184	3,921,664

(a) Other financial assets at amortised cost

	Group	
	2025	2024
Other loans and receivables	9,753,088	6,778,185
Less: Loss allowance	(543,372)	(235,360)
	9,209,716	6,542,825

The fair value of fixed rate financial assets carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates for similar financial instruments. Accordingly, the fair value of other financial assets which are carried at amortised cost is Rs. 9,210Mn (2024 - Rs. 6,543Mn).

(i) The movement of the provision for impairment of other financial assets at amortised cost are as follows:

	Group	
	2025	2024
At 1 January	235,360	180,067
Provision for impairment of other financial assets	308,012	55,293
At 31 December	543,372	235,360

(b) Analysis of other loans and receivables on maximum exposure to credit risk are as follows:

	Stage 1	Stage 2	Stage 3	Total
31 December 2025				
Gross loans and receivables	8,830,927	442,470	479,691	9,753,088
Less: Loss allowance	(124,014)	(67,599)	(351,759)	(543,372)
Net loans and receivables	8,706,913	374,871	127,932	9,209,716
31 December 2024				
Gross loans and receivables	6,310,823	216,873	250,489	6,778,185
Less: Loss allowance	(45,502)	(22,407)	(167,451)	(235,360)
Net loans and receivables	6,265,321	194,466	83,038	6,542,825

(c) Carrying value of financial assets at FVOCI represents the fair value of the investment in shares in the Credit Information Bureau of Sri Lanka by Dialog Finance PLC and investment in unquoted equity investments by Dialog Axiata Digital Innovation Fund (Private) Limited.

(d) Carrying value of financial assets at FVTPL represents the investments in quoted equity investments by Dialog Finance PLC and investment in unquoted equity investments by Dialog Axiata Digital Innovation Fund (Private) Limited. During the fourth quarter, DADIF's investment in InsureMe Insurance Brokers PLC was listed on the Empower Board of the Colombo Stock Exchange; however, as the company remains in a lock-in period for sales, it is assumed that there is no active market for this investment.

14 Inventories

	Group		Company	
	2025	2024	2025	2024
Phone stock	133,794	108,027	127,936	21,094
Accessories and consumables	2,307,831	2,436,352	286,732	311,064
Provision for slow moving inventory	(648,650)	(771,360)	(109,936)	(97,980)
	1,792,975	1,773,019	304,732	234,178

Notes to the Financial Statements

15 Trade and other receivables

	Group		Company	
	2025	2024	2025	2024
Current				
Trade receivables	29,274,915	31,895,843	15,485,124	17,796,044
Less: provision for impairment of trade receivables	(7,740,451)	(6,765,512)	(4,192,142)	(3,457,521)
Net trade receivables	21,534,464	25,130,331	11,292,982	14,338,523
Receivables from related companies	6,107,968	11,050,943	8,202,248	12,156,770
Less: provision for impairment of receivables from related companies	(1,079,123)	(848,602)	(1,754,196)	(729,261)
Net receivables from related companies [Note 37(d)]	5,028,845	10,202,341	6,448,052	11,427,509
Prepayments	3,653,038	2,363,956	2,314,827	1,789,569
Other receivables	7,571,974	9,714,600	4,331,251	7,026,484
At 31 December	37,788,321	47,411,228	24,387,112	34,582,085

(a) Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

(b) Receivables from related companies result from related party transactions entered in the normal course of business and at prices available at negotiated terms. Provision for impairment of receivables from related companies reflect the expected credit losses, in accordance with SLFRS 9, 'Financial Instruments'.

(c) Trade receivables by credit quality are as follows:

	Group		Company	
	2025	2024	2025	2024
Current	9,489,170	7,252,281	4,828,190	3,983,198
Past due but not impaired [Note 15(d)]	12,045,294	17,878,050	6,464,792	10,355,325
Impaired [Note 15(e)]	7,740,451	6,765,512	4,192,142	3,457,521
	29,274,915	31,895,843	15,485,124	17,796,044

Past due but not impaired trade receivable balances of the Group and the Company have not been impaired as there has not been a significant change in credit quality and the Management believe that overdue amounts are fully recoverable.

(d) The aging of trade receivables that are past due but not impaired are as follows:

	Group		Company	
	2025	2024	2025	2024
Amount overdue:				
1 month to 6 months	5,407,880	6,831,219	2,098,700	3,739,591
6 months to 1 year	972,125	5,219,935	374,891	3,097,013
More than 1 year	5,665,289	5,826,896	3,991,201	3,518,721
	12,045,294	17,878,050	6,464,792	10,355,325

(e) The movement of the provision for impairment of trade receivables are as follows:

	Group		Company	
	2025	2024	2025	2024
At 1 January	6,765,512	7,117,428	3,457,521	3,393,237
Provision for impairment of trade receivables	2,325,497	1,871,156	1,350,849	1,102,963
Receivables written off during the year as uncollectible	(1,350,558)	(2,223,072)	(616,228)	(1,038,679)
At 31 December	7,740,451	6,765,512	4,192,142	3,457,521

(f) Measurement of Expected Credit Loss ('ECL')

The following table contains an analysis of the credit risk exposure of trade receivables for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Group's and the Company's maximum exposure to credit risk on these assets:

Group	Less than 1 month	1 - 6 months	6 months to 1 year	Over 1 year	Total
2025					
Expected loss rate %	1.85%	10.75%	62.92%	48.57%	26.44%
Gross trade receivable	9,584,911	6,150,358	2,273,574	11,266,072	29,274,915
Provision for impairment	(177,161)	(661,076)	(1,430,490)	(5,471,724)	(7,740,451)
Net trade receivables	9,407,750	5,489,282	843,084	5,794,348	21,534,464
2024					
Expected loss rate %	2.72%	8.20%	19.26%	44.72%	21.21%
Gross trade receivable	7,117,063	7,955,774	6,298,894	10,524,112	31,895,843
Provision for impairment	(193,628)	(652,512)	(1,213,069)	(4,706,303)	(6,765,512)
Net trade receivables	6,923,435	7,303,262	5,085,825	5,817,809	25,130,331

Notes to the Financial Statements

15 Trade and other receivables (Contd.)

Company	Less than 1 month	1 - 6 months	6 months to 1 year	Over 1 year	Total
2025					
Expected loss rate %	1.38%	13.69%	63.52%	44.02%	27.07%
Gross trade receivable	4,895,871	2,431,524	1,027,570	7,130,159	15,485,124
Provision for impairment	(67,681)	(332,825)	(652,679)	(3,138,957)	(4,192,142)
Net trade receivables	4,828,190	2,098,699	374,891	3,991,202	11,292,982
2024					
Expected loss rate %	1.88%	7.78%	14.88%	41.77%	19.43%
Gross trade receivable	4,059,383	4,054,957	3,638,578	6,043,126	17,796,044
Provision for impairment	(76,185)	(315,366)	(541,565)	(2,524,405)	(3,457,521)
Net trade receivables	3,983,198	3,739,591	3,097,013	3,518,721	14,338,523

(g) The carrying amounts of trade receivables are denominated in following currencies:

	Group		Company	
	2025	2024	2025	2024
Sri Lanka rupees	18,542,932	21,743,307	10,070,471	13,117,777
United States dollars	2,991,532	3,387,024	1,222,511	1,220,746
	21,534,464	25,130,331	11,292,982	14,338,523

Trade and other receivables are not pledged as securities for any financing arrangements.

16 Cash and cash equivalents

(a)

	Group		Company	
	2025	2024	2025	2024
Cash at bank and in hand	11,616,090	12,847,175	7,931,403	9,892,907
Short-term bank deposits	7,434,109	20,938,439	7,063,996	17,883,102
At 31 December	19,050,199	33,785,614	14,995,399	27,776,009

(b) Cash and cash equivalents of the Group and the Company include restricted cash deposited in the following financial institutions:

	Group		Company	
	2025	2024	2025	2024
Hatton National Bank PLC, amount deposited in custodian accounts to facilitate Ez cash operation	803,433	805,107	803,433	805,107
	803,433	805,107	803,433	805,107

17 Stated capital

(a)

	Ordinary shares issued and fully paid	Stated capital
At 1 January 2025	39,905,563	39,905,563
Share issue during the year	-	-
At 31 December 2025	39,905,563	39,905,563
At 1 January 2024	29,349,706	29,349,706
Share issue during the year [see (d) below]	10,555,857	10,555,857
At 31 December 2024	39,905,563	39,905,563

(b) Movement in shares

	Number of ordinary shares
At 1 January 2025	9,200,334,994
Share issue during the year	-
At 31 December 2025	9,200,334,994
At 1 January 2024	8,247,640,305
Share issue during the year [see (d) below]	952,694,689
At 31 December 2024	9,200,334,994

(c) The holders of ordinary shares have the right to receive dividend as declared from time to time and are entitled to one vote per share at the Annual General Meeting of the Company.

(d) The shares were issued to Bharti Airtel Lanka (Private) Limited as part of consideration in acquiring Bharti Airtel Lanka (Private) Limited.

18 Reserves

	Group		Company	
	2025	2024	2025	2024
Attributable to the owners of the Company				
Retained earnings	50,027,368	38,222,484	34,410,608	27,843,679
Fair value through other comprehensive income ("FVOCI") reserve	197,268	225,539	-	-
	50,224,636	38,448,023	34,410,608	27,843,679
Attributable to the non-controlling interest				
Non-controlling interest	(117,471)	(73,623)	-	-
At 31 December	50,107,165	38,374,400	34,410,608	27,843,679

Notes to the Financial Statements

18 Reserves (Contd.)

The movement of the reserves is as follows:

Group	Note	Share-based payments reserve	FVOCI reserve	Retained earnings	Total
Balance at 1 January 2025		(27)	225,539	38,222,511	38,448,023
Profit for the year		-	-	20,769,923	20,769,923
Other comprehensive income:					
- changes in the fair value of equity investments at fair value through other comprehensive income, net of tax		-	(28,271)	-	(28,271)
- remeasurement gain on defined benefit obligation, net of tax		-	-	223,517	223,517
Total comprehensive income for the year		-	(28,271)	20,993,440	20,965,169
Transactions with non-controlling interest		-	-	11,779	11,779
Dividend paid	32 (b)	-	-	(9,200,335)	(9,200,335)
Balance at 31 December 2025		(27)	197,268	50,027,395	50,224,636
Balance at 1 January 2024		(27)	254,559	36,776,713	37,031,245
Profit for the year		-	-	12,458,581	12,458,581
Other comprehensive income:					
- changes in the fair value of equity investments at fair value through other comprehensive income, net of tax		-	(29,020)	-	(29,020)
- remeasurement gain on defined benefit obligation, net of tax		-	-	34,578	34,578
Total comprehensive income for the year		-	(29,020)	12,493,159	12,464,139
Transactions with non-controlling interest		-	-	4,477	4,477
Dividend paid	32 (b)	-	-	(11,051,838)	(11,051,838)
Balance at 31 December 2024		(27)	225,539	38,222,511	38,448,023

Company	Share-based payments reserve	Retained earnings	Total
Balance at 1 January 2025	(27)	27,843,706	27,843,679
Profit for the year	-	15,579,432	15,579,432
Other comprehensive income:	-	-	-
- remeasurement gain on defined benefit obligation, net of tax	-	187,832	187,832
Total comprehensive income for the year	-	15,767,264	15,767,264
Dividend paid	-	(9,200,335)	(9,200,335)
Balance at 31 December 2025	(27)	34,410,635	34,410,608
Balance at 1 January 2024	(27)	27,749,483	27,749,456
Profit for the year	-	11,092,547	11,092,547
Other comprehensive income:	-	-	-
- remeasurement gain on defined benefit obligation, net of tax	-	53,514	53,514
Total comprehensive income for the year	-	11,146,061	11,146,061
Dividend paid	-	(11,051,838)	(11,051,838)
Balance at 31 December 2024	(27)	27,843,706	27,843,679

(a) FVOCI reserve

The group has elected to recognise changes in fair value of certain investments in equity securities as explained in note 13 (c). These changes are accumulated within FVOCI reserve within equity. The group transfers amounts from this reserve to retained earnings when the equity securities are derecognised.

19 Trade and other payables

	Group		Company	
	2025	2024	2025	2024
Trade payables	27,668,559	27,458,016	19,127,339	18,406,625
Amounts due to ultimate parent company [Note 37(e) - excluding borrowings]	2,687,147	3,728,513	2,687,147	3,728,513
Amounts due to related companies [Note 37(e)]	585,427	2,568,875	21,812,898	11,998,182
Deferred income (Note 22)	96,464	115,701	96,464	115,701
Accrued expenses	24,470,198	30,295,241	19,402,822	24,062,288
Customer deposits	1,069,652	975,231	924,354	836,584
Other payables	10,536,922	13,504,183	6,749,067	12,676,861
	67,114,369	78,645,760	70,800,091	71,824,754

Notes to the Financial Statements

20 Other financial liabilities

	Group		Company	
	2025	2024	2025	2024
Current				
Deposits from customers	3,318,810	3,139,960	-	-
Derivative liability	-	4,396	-	4,396
	3,318,810	3,144,356	-	4,396
Non-current				
Deposits from customers	300,997	125,381	-	-
	300,997	125,381	-	-

21 Borrowings

	Note	Group		Company	
		2025	2024	2025	2024
Current					
Bank overdrafts		15,804,802	22,282,063	8,933,248	20,943,378
Borrowings from ultimate parent		-	1,536,846	-	1,536,846
Bank borrowings	(a)	45,198,830	48,125,132	34,958,705	38,837,085
At 31 December		61,003,632	71,944,041	43,891,953	61,317,309
Non-Current					
Bank borrowings	(a)	15,482,402	35,749,593	13,146,186	31,956,538
At 31 December		15,482,402	35,749,593	13,146,186	31,956,538

(a) Bank borrowings

(i) Bank borrowings - foreign

Bank Borrowings comprise a loan facility from the International Financing Corporation (IFC) amounting of USD 15.1Mn and from network i2i amounting to USD 3 Mn outstanding as of 31 December 2025. The effective interest rate on bank borrowings (foreign) ranges from 6.19% to 6.21% p.a. (2024 – 6.00% to 6.21% p.a.).

(ii) Bank borrowings - local

Bank borrowings comprise of Rs. 60.7 Bn which carries both fixed and variable interest rates ranging 7.5% - 12% p.a.

(b) Borrowings are not pledged as securities for any financing arrangements.

(c) The exposure of the carrying value of borrowings to interest rate changes and the contractual re-pricing dates at the end of the reporting period is as follows:

	Group		Company	
	2025	2024	2025	2024
3 months or less	31,060,408	29,526,185	17,335,439	27,033,924
3 - 6 months	10,330,397	8,415,803	8,620,847	7,345,036
6 - 12 months	19,612,827	34,002,053	17,935,667	26,938,349
1 - 5 years	15,482,402	35,749,593	13,146,186	31,956,538
	76,486,034	107,693,634	57,038,139	93,273,847

(d) The carrying amounts of the Company's and the Group's borrowings are denominated in following currencies:

	Group		Company	
	2025	2024	2025	2024
Sri Lanka rupees	70,855,159	72,836,632	51,407,264	58,416,845
United States dollars	5,630,875	34,857,002	5,630,875	34,857,002
	76,486,034	107,693,634	57,038,139	93,273,847

(e) The Company complied with the covenants throughout the financial year, and there are no indications that the Company will encounter difficulties in meeting them when they are measured next.

(f) The fair values are not materially different from the carrying amounts for the majority of borrowings.

22 Deferred income

	Group		Company	
	2025	2024	2025	2024
At 1 January	441,031	457,327	441,031	457,327
Addition during the year	-	93,800	-	93,800
Release of TDC disbursements to comprehensive income	(115,702)	(110,096)	(115,702)	(110,096)
At 31 December	325,329	441,031	325,329	441,031

	Group		Company	
	2025	2024	2025	2024
Current (Note 19)	96,464	115,701	96,464	115,701
Non-current	228,865	325,330	228,865	325,330
	325,329	441,031	325,329	441,031

(a) The deferred income of the Group mainly relates to the government grants for the purchase of certain qualifying assets.

Notes to the Financial Statements

23 Deferred income tax

Deferred income taxes are calculated on all temporary differences under the liability method using the applicable tax rates at the end of the financial reporting period.

(a) Deferred income tax assets and liabilities of the Group are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position.

Group	Net deferred tax assets		Net deferred tax liabilities	
	2025	2024	2025	2024
Deferred income tax liabilities	(702,503)	(793,994)	4,696,201	2,678,052
Deferred income tax assets	928,434	1,042,667	(1,035,373)	(1,520,444)
Net deferred income tax assets / (liabilities)	225,931	248,673	3,660,828	1,157,608

(b) The movement on the deferred income tax assets / (liabilities) account is as follows:

Group	Net deferred tax assets		Net deferred tax liabilities	
	2025	2024	2025	2024
At 1 January	248,673	304,965	(1,157,608)	(201,982)
Property plant and equipment	90,855	2,474,732	(2,076,929)	(2,479,444)
Retirement benefit obligations	41,686	(17,789)	265,997	25,926
Net lease liabilities	147	88,162	135,498	13,479
Unutilised tax losses	(163,942)	(1,905,625)	(859,088)	859,088
Other	8,512	(695,772)	31,302	625,325
Total amount recognised in profit / (loss)	(22,742)	(56,292)	(2,503,220)	(955,626)
At 31 December	225,931	248,673	(3,660,828)	(1,157,608)

(c) The balance comprises temporary differences attributable to:

Group	Net deferred tax assets		Net deferred tax liabilities	
	2025	2024	2025	2024
Retirement benefit obligations	175,104	133,418	291,923	25,926
Net lease liabilities	341	194	148,977	13,479
Other	102,928	95,052	449,538	621,951
Unutilised tax losses	650,061	814,003	144,935	859,088
Total deferred tax assets before offsetting	928,434	1,042,667	1,035,373	1,520,444
Offsetting deferred tax liability on:				
- Property plant and equipment	(702,503)	(793,358)	(4,556,373)	(2,479,444)
- Unrealised fair value gain on financial assets	-	(301)	(139,828)	(198,608)
- Net investment in leases	-	(335)	-	-
Total deferred tax liabilities before offsetting	(702,503)	(793,994)	(4,696,201)	(2,678,052)
Deferred tax assets / (liabilities) after offsetting	225,931	248,673	(3,660,828)	(1,157,608)

(d) Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. According to Inland Revenue Act No.24 of 2017, tax losses could be carried forward for a period of six years, to claim against taxable profits. Any carried forward tax losses prior to Year of Assessment 2023/2024 shall be treated as loss incurred in the year of assessment 2023/2024. Accordingly, deferred income tax assets of Rs. 1.33Bn (2024 - Rs. 1.89Bn) was not recognised in respect of subsidiaries in the consolidated financial statements.

	Within 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
31 December 2025	210Mn	3Mn	568Mn	549Mn	1,330Mn
31 December 2024	986Mn	129Mn	387Mn	386Mn	1,888Mn

Notes to the Financial Statements

24 Employee benefit payables

	Note	Group		Company	
		2025	2024	2025	2024
Defined benefit obligation	(a)	2,218,377	2,310,004	1,580,298	1,655,831

(a) Defined benefit obligation

(i) The movement in the present value of defined benefit obligation over the year is as follows:

	Group		Company	
	2025	2024	2025	2024
At 1 January	2,310,004	2,095,107	1,655,831	1,467,253
Transferred from related company	-	-	53,949	-
Transferred at acquisition made during the year	-	129,350	-	129,350
Current service cost	236,362	167,373	160,026	126,825
Interest expense	249,783	275,476	190,421	198,641
Total amount recognised in comprehensive income	486,145	442,849	350,447	325,466
Remeasurement gains:				
- Gains from changes in financial assumptions	(219,638)	(53,360)	(187,832)	(53,514)
- Loss / (gain) from changes in demographic assumptions	(4,902)	27,099	-	-
Total amount recognised in other comprehensive income	(224,540)	(26,261)	(187,832)	(53,514)
Employee benefits obligations paid	(353,232)	(331,041)	(292,097)	(212,724)
At 31 December	2,218,377	2,310,004	1,580,298	1,655,831

The gratuity liability of the Group is based on the actuarial valuation performed in December 2025 by Actuaries, Messrs Actuarial & Management Consultants (Private) Limited.

(ii) The principal actuarial valuation assumptions used are as follows:

	Group		Company	
	2025	2024	2025	2024
Financial assumptions				
Discount rate (%)	9.75 - 11.20	10 - 12	10.75	11.50
Future salary growth rate (%)	8-10	8-10	8.00	10.00
Demographic assumptions				
Mortality table	1967/70	1967/70	1967/70	1967/70
Expected average future working life of the active participants or Retirement age	60	60	60	60

In addition to the above, demographic assumptions such as mortality, withdrawal and disability and retirement age are considered for the actuarial valuation. The 2007 mortality table issued by the London Institute of Actuaries (A 1967/70 mortality table) has also been used in the valuation.

(iii) The defined benefit obligation's sensitivity to changes in the key assumptions for 2025 is as follows:

	Change in assumption	Impact on defined benefit obligation			
		Group		Company	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	Decrease by 22.63%	Increase by 12.07%	Decrease by 25.44%	Increase by 14.31%
Future salary growth rate	1.00%	Increase by 11.96%	Decrease by 22.81%	Increase by 14.19%	Decrease by 25.63%

The following table shows the sensitivity of the defined benefit obligation - 2024 to changes in the key assumptions:

	Change in assumption	Impact on defined benefit obligation			
		Group		Company	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	Decrease by 28.38%	Increase by 17.73%	Decrease by 32.72%	Increase by 21.30%
Future salary growth rate	1.00%	Increase by 17.56%	Decrease by 28.61%	Increase by 21.10%	Decrease by 32.98%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) Maturity profile of the defined benefit obligation

The weighted average duration of the defined benefit obligation is 7.80 (2024 – 8.70) years and average time to benefit pay-out is 9.0 (2024 - 9.10) years for the Company. The distribution of the timing of undiscounted benefit payments is as follow:

	Group		Company	
	2025	2024	2025	2024
Less than 1 year	201,464	229,619	101,805	115,207
Between 1 - 2 years	395,231	411,414	227,039	219,527
Between 2 - 5 years	529,802	698,310	348,174	497,623
Over 5 years	3,136,550	5,061,124	2,442,678	4,128,741
	4,263,047	6,400,467	3,119,696	4,961,098

Notes to the Financial Statements

25 Provision for other liabilities

Provisions for other liabilities comprise the amounts provided for Asset Retirement Obligation ('ARO').

	Group		Company	
	2025	2024	2025	2024
At 1 January	4,503,584	3,434,609	4,129,542	3,071,880
Amounts capitalised	357,362	32,582	322,669	20,039
Adjustment for fully depreciated ARO assets	(19,224)	(21,144)	(16,683)	(17,259)
Charged to comprehensive income (Note 30)	115,696	271,464	100,792	268,809
ARO liability – Acquisition of subsidiary	-	786,073	-	786,073
At 31 December	4,957,418	4,503,584	4,536,320	4,129,542

The principal assumptions used to determine the Asset Retirement Obligation are as follows:

	Group		Company	
	2025	2024	2025	2024
Inflation rate	1.60%	3.26%	1.60%	3.26%
Discount rate	10.96%	11.61%	10.96%	11.61%

The sensitivity of the Asset Retirement Obligation (ARO) to changes in the principal assumptions for 2025 is as follows:

	Change in assumption	Impact on Asset Retirement Obligation			
		Group		Company	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	Decrease by Rs. 64Mn	Increase by Rs. 70Mn	Decrease by Rs. 59Mn	Increase by Rs. 65Mn
Inflation rate	1.00%	Increase by Rs. 76Mn	Decrease by Rs. 71Mn	Increase by Rs. 70Mn	Decrease by Rs. 65Mn

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant.

The following table shows the sensitivity of the Asset Retirement Obligation - 2024 to changes in the key assumptions:

	Change in assumption	Impact on Asset Retirement Obligation			
		Group		Company	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	Decrease by Rs. 70Mn	Increase by Rs. 77Mn	Decrease by Rs. 69Mn	Increase by Rs. 76Mn
Inflation rate	1.00%	Increase by Rs. 82Mn	Decrease by Rs. 77Mn	Increase by Rs. 81Mn	Decrease by Rs. 75Mn

26 Revenue

(a) Disaggregation of revenue from contracts with customers

The Group and the Company derive revenue from the transfer of goods and services over time and at a point in time through following business lines.

Business lines	Group		Company	
	2025	2024	2025	2024
Mobile operation	137,725,524	115,787,007	135,772,824	115,672,413
Fixed telephony and broadband operation	29,043,854	42,963,637	-	-
Television operation	12,871,454	12,419,636	-	-
	179,640,832	171,170,280	135,772,824	115,672,413

Timing of revenue recognition	Group		Company	
	2025	2024	2025	2024
At a point in time	4,525,950	4,232,143	147,846	110,994
Over time	175,114,882	166,938,137	135,624,978	115,561,419
	179,640,832	171,170,280	135,772,824	115,672,413

(b) Significant payment terms

Customers typically pay in advance for prepaid mobile services and for other communication services settlements are made as per the agreed credit terms upon consumption of goods or utilisation of services.

(c) Assets and liabilities related to contracts with customers

(i) Contract cost assets

The Group and the Company recognised an asset in relation to costs that are directly related to the acquisition and fulfilment of customer contracts.

	Group		Company	
	2025	2024	2025	2024
At 1 January	12,949,735	12,241,671	3,807,270	3,852,701
Additions	6,437,216	8,552,909	1,542,306	2,208,783
Amortisation (Note 27)	(7,619,456)	(7,844,845)	(2,189,898)	(2,254,214)
At 31 December	11,767,495	12,949,735	3,159,678	3,807,270

Contract acquisition costs mainly comprise of the sales commission paid to dealers. Contract fulfilment cost comprises mainly of set-top boxes and routers. The contract cost assets are expected to be amortised over twenty-three (23) to forty-two (42) months (2024: twenty-three (23) to forty-two (42) months).

Notes to the Financial Statements

26 Revenue (Contd.)

(ii) Contract liabilities

The following table shows unsatisfied performance obligations resulting from customer contracts.

	Group		Company	
	2025	2024	2025	2024
At 1 January	19,193,055	12,369,732	16,538,438	10,090,017
Additions	345,671,268	702,419,450	324,116,303	684,589,508
Realisations	(350,389,824)	(695,596,127)	(329,142,748)	(678,141,087)
Balance as at 31 December	14,474,499	19,193,055	11,511,993	16,538,438
Contract liabilities - current	8,367,771	13,447,548	6,442,759	11,806,658
Contract liabilities - non-current	6,106,728	5,745,507	5,069,234	4,731,780
Balance as at 31 December	14,474,499	19,193,055	11,511,993	16,538,438

(iii) Revenue recognised in relation to contract liabilities

During the current year the Group and the Company recognised Rs. 13,448Mn (2024 - Rs. 6,667Mn) and Rs. 11,807Mn (2024 - Rs. 4,234Mn) respectively as revenue that was included in the contract liability balance at the beginning of the year.

(iv) Unsatisfied long-term contracts

Management expects that 58% (Rs. 8,352Mn) and 56% (Rs. 6,443Mn) of the transaction price allocated to the unsatisfied long-term contracts as of 31 December 2025 will be recognised as revenue by the Group and the Company respectively during the 2026 financial year. 12% (Rs. 1,716Mn) and 8% (Rs. 948 Mn) of the transaction price allocated to the unsatisfied long-term contracts as of 31 December 2025 will be recognised as revenue by the Group and the Company respectively during the 2027 financial year. 7% (Rs. 1,046Mn) and 7% (Rs. 837Mn) of the transaction price allocated to the unsatisfied long-term contracts as of 31 December 2025 will be recognised as revenue by the Group and the Company respectively during the 2028 financial year. The remaining 23% (Rs. 3,361Mn) and 29% (Rs. 3,284Mn) will be recognised during the 2029 financial year by the Group and the Company respectively.

27 Expenses by nature

	Group		Company	
	2025	2024	2025	2024
Directors' fees	370,614	360,832	363,950	355,546
Fees for professional services	169,734	314,858	118,971	284,827
Amortisation charge of intangible assets (Note 7)	4,874,060	5,007,328	4,216,096	4,376,543
Amortisation charge of contract cost assets [Note 26(c)(i)]	7,619,456	7,844,845	2,189,898	2,254,214
Depreciation and impairment charge of property, plant and equipment (Note 8)	32,885,626	30,592,439	24,405,513	22,106,778
Depreciation charge of ROU assets (Note 9)	2,785,106	2,341,894	2,695,342	2,261,346
Domestic interconnection and international origination cost	3,742,308	20,073,546	787,745	2,282,602
Telecommunication development charge	1,256,494	1,890,177	1,152,276	1,326,731
Marketing, advertising and promotion	15,811,169	13,612,570	15,420,126	13,446,987
Rental for site and office premises	3,449,281	3,668,756	7,489,134	6,946,992
Electricity for site and office premises	8,985,843	10,523,059	7,191,706	7,478,428
Annual maintenance services	13,041,458	10,689,824	11,361,563	9,536,223
Employee benefit expenses (Note 28)	14,896,123	13,030,467	10,219,006	7,797,215
Telecommunication regulatory charges	3,496,006	3,266,880	3,115,431	2,898,488
Revenue share expenses	1,242,180	1,464,314	705,153	690,206
International network cost	1,785,786	2,360,311	1,806,445	2,380,970
Outbound roaming cost	1,506,047	1,761,548	1,506,047	1,761,531
Call centre services charges	539,066	157,372	940,543	794,798
Channel rental	5,345,403	5,011,715	-	-
Device and accessories consumption cost	1,241,003	1,450,355	153,050	104,406
Other operating costs	13,504,765	13,586,406	7,764,968	8,798,584
Total direct costs, administrative costs and distribution costs	138,547,528	149,009,496	103,602,963	97,883,415

Other operating expenses of the Group mainly consist of satellite charges Rs. 1,749Mn, lease circuit rental Rs. 1,481Mn, licence fee of Rs. 923Mn, IT and other outsourced services Rs. 691Mn and, Hone cost of Rs. 530Mn.

Notes to the Financial Statements

28 Employee benefit expenses

	Note	Group		Company	
		2025	2024	2025	2024
Wages, salaries and others		10,848,319	9,038,788	7,453,348	5,831,440
Staff allowances and benefits		2,248,402	2,199,616	1,512,105	776,154
Defined contribution plans		1,313,257	1,349,214	903,106	864,155
Defined benefit obligation	24 (a) (i)	486,145	442,849	350,447	325,466
		14,896,123	13,030,467	10,219,006	7,797,215
Number of persons employed as at 31 December - full time		2,776	3,139	1,317	1,422

29 Other income

Other income of the Group and the Company mainly consist of sundry income.

30 Finance income and costs

	Group		Company	
	2025	2024	2025	2024
Interest income on deposits	802,498	1,464,012	798,370	1,670,319
Finance income	802,498	1,464,012	798,370	1,670,319
Interest in expenses on:				
- bank overdrafts	(1,205,155)	(1,963,896)	(955,369)	(1,945,822)
- bank borrowings	(8,110,618)	(5,906,644)	(7,049,471)	(4,780,439)
- asset retirement obligation (Note 25)	(115,696)	(271,464)	(100,792)	(268,809)
- lease liabilities [Note 9(b)]	(1,882,671)	(1,713,744)	(1,824,251)	(1,667,101)
Finance costs	(11,314,140)	(9,855,748)	(9,929,883)	(8,662,171)
Net foreign exchange gain / (loss) on foreign currency transactions / translations	(1,379,659)	3,788,124	(1,431,468)	3,564,728
Finance costs – net	(11,891,301)	(4,603,612)	(10,562,981)	(3,427,124)

31 Income tax expense

	Group		Company	
	2025	2024	2025	2024
Current tax	3,383,950	2,693,539	2,911,111	2,617,146
Deferred income tax charged / (credited) to comprehensive income	2,525,962	1,011,919	1,800,000	-
	5,909,912	3,705,458	4,711,111	2,617,146

(a) The Company opted for 2% revenue-based tax with effect from the year 2013 with the expiration of the 15-year tax holiday period granted under the agreement entered between the Company and the Board of Investment of Sri Lanka ('BOI').

(b) Upon expiry of the tax exemption period granted under the agreement entered between Dialog Broadband Networks (Private) Limited ('DBN') and the BOI, the business profit of DBN is subjected to a corporate tax of 15% with effect from the year 2011.

(c) Upon expiry of the tax exemption period granted under the agreement entered between Dialog Television (Private) Limited ('DTV') and the BOI, the business profit of DTV was subjected to a corporate tax of 10% for a period of two years with effect from the year 2012. After the expiration of the aforesaid concessionary period, the business profit of DTV is subjected to corporate tax of 20% for any year of assessment thereafter.

(d) The business profit of Dialog Device Trading (Private) Limited, Digital Holdings Lanka (Private) Limited, Digital Health (Private) Limited, Digital Commerce Lanka (Private) Limited, Dialog Business Services (Private) Limited, Dialog Finance PLC, Dialog Axiata Digital Innovation Fund (Private) Limited, Headstart (Private) Limited, Telecard (Private) Limited, Dialog Network Services (Private) Limited, My Health (Private) Limited and H-One (Private) Limited are subjected to a corporate tax of 30%.

(e) The Group and the Company are also liable to pay income tax at standard rate of 30% on interest income earned in Sri Lanka Rupees. (2024:30%).

(f) The tax on profit before tax differs from the theoretical amount that would arise using the applicable tax rate to profit as follows:

	Group		Company	
	2025	2024	2025	2024
Profit before tax	26,669,910	16,140,326	20,290,543	13,709,693
Tax at the standard tax rate of 30% (2024: 30%)	8,000,973	4,842,098	6,087,163	4,112,908
Tax effects on:				
- Income not subject to tax	(4,948)	(11,333)	-	-
- Expenses not deductible for tax purposes	643	130,565	-	-
- Unrecognised deferred income tax	280,384	706,004	-	-
- Utilisation of previously unrecognised tax losses	(661,849)	(1,336,226)	-	-
- Adjustment for revenue-based tax (Note a)	(3,224,990)	(1,495,760)	(1,376,052)	(1,495,762)
- Rate differentials (Note b and c)	(1,006,263)	(141,809)	-	-
Deferred income tax credited to comprehensive income	2,525,962	1,011,919	-	-
Income tax expense	5,909,912	3,705,458	4,711,111	2,617,146

Notes to the Financial Statements

32 Earnings per share and Dividends

(a) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

	Group		Company	
	2025	2024	2025	2024
Profit for the year attributable to ordinary shareholders	20,769,923	12,458,581	15,579,432	11,092,547
Weighted average number of ordinary shares in issue	9,200,335	8,740,953	9,200,335	8,740,953
Earnings per share (Rs.)	2.26	1.43	1.69	1.27

(ii) Diluted earnings per share

The Company had no dilutive potential ordinary shares outstanding during the year. Accordingly, diluted earnings per share is equal to basic earnings per share.

	Group		Company	
	2025	2024	2025	2024
Profit for the year attributable to ordinary shareholders	20,769,923	12,458,581	15,579,432	11,092,547
Weighted average number of ordinary shares	9,200,335	8,740,953	9,200,335	8,740,953
Diluted earnings per share (Rs.)	2.26	1.43	1.69	1.27

(b) Dividends

The Board of Directors has proposed a final dividend of Rs. 1.50 per share amounting to Rs. 13,800,502,491 for the financial year 2025, to be declared subject to the approval of the shareholders at the Annual General Meeting. (2024 – Rs. 1.00 per share amounting to Rs. 9,200,334,994)

33 Cash flow information

(a) Reconciliation of profit before tax to cash generated from operations:

	Group		Company	
	2025	2024	2025	2024
Profit before tax	26,669,910	16,140,326	20,290,543	13,709,693
Adjustments for:				
Unrealised exchange loss/ (gain)	5,643,399	(3,755,573)	6,081,670	(3,950,443)
Net impairment losses on financial assets	3,413,354	1,729,875	2,114,019	865,612
Bad debts written back	(127,909)	(86,259)	(82,482)	(58,508)
Loss / (gain) on sale of property, plant and equipment	(57,014)	(47,784)	346	(43,020)
Inventory provision and write off	(40,966)	127,588	52,184	3,035
Interest expense (Note 30)	11,314,140	9,855,748	9,929,883	8,662,171
Interest income (Note 30)	(802,498)	(1,464,012)	(798,370)	(1,670,319)
Depreciation, impairment and amortisation	48,164,248	45,786,506	33,506,849	30,998,881
Release of TDC disbursement (Note 22)	(115,702)	(110,096)	(115,702)	(110,096)
Defined benefit obligation (Note 24)	486,145	442,849	350,447	325,466
Share of loss from associates	47,115	34,585	-	-
Net loss / (gain) from financial instruments at fair value through profit or loss	60,294	2,317	-	-
Changes in working capital				
- Trade and other receivables	2,596,172	(7,555,325)	7,328,149	158,234
- Other financial assets	(5,065,047)	(5,094,760)	-	-
- Inventories	30,277	1,173,307	(119,888)	337,953
- Trade payables	(16,602,716)	1,798,365	(6,183,932)	12,102,259
- Other financial liabilities	693,778	1,257,996	-	-
Cash generated from operations	76,306,980	60,235,653	72,353,716	61,330,918

Notes to the Financial Statements

33 Cash flow information (Contd.)

(b) Reconciliation of liabilities arising from financing activities

	Group		Company	
	2025	2024	2025	2024
Bank Borrowings				
At 1 January	85,411,571	90,015,625	72,330,466	79,859,549
Proceeds from borrowings	69,387,711	38,683,532	52,850,000	27,484,000
Repayments of borrowings	(95,240,826)	(35,633,058)	(78,147,228)	(28,918,850)
Foreign exchange losses	1,595,169	(7,907,610)	1,595,169	(7,907,610)
Other movements	(472,393)	253,082	(523,516)	1,813,380
At 31 December	60,681,232	85,411,571	48,104,891	72,330,469
	Group		Company	
	2025	2024	2025	2024
Lease liabilities				
At 1 January	12,519,884	8,648,691	12,273,634	8,384,301
Additions during the year	2,566,098	3,427,148	2,343,204	3,393,500
Acquisition of subsidiary	-	3,310,059	-	3,310,059
Net accrual / payment of interest	1,884,643	1,583,940	1,824,251	1,529,836
Repayment of lease liabilities	(4,165,326)	(4,167,416)	(4,016,815)	(4,076,661)
Terminations and other movements	(1,565,819)	(282,538)	(1,564,897)	(267,401)
At 31 December	11,239,480	12,519,884	10,859,377	12,273,634

(c) Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- Acquisition of right-of-use assets - note 9 (a)

34 Contingencies

(a) Pending litigations

The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from such legal claims except for below:

In August 2008, Sri Lanka Customs ('SLC') detained a shipment of CDMA Customers' Premises Equipment ('CPE') belonging to Dialog Broadband Networks (Private) Limited ('DBN') and commenced an investigation into the eligibility of these items falling under the duty exemptions granted under the terms and conditions of the agreement with the Board of Investment of Sri Lanka. The shipment was cleared by DBN upon submitting bank guarantees and thereafter subsequent shipments of CPE were cleared by paying duty 'Under Protest'. SLC commenced an inquiry into this matter on 30 January 2009 which was temporarily suspended upon a proposed settlement by the Secretary to the Treasury in May 2010. However, SLC took steps to continue with the inquiry. Inquiry was held on several dates and the last date being 9 September 2016, however the inquiry was not concluded on this date. On 11 April 2018, DBN was served with an 'Order' dated 6 April 2018 by SLC imposing a mitigated monetary forfeiture of Rs. 1,626,622,200. DBN has instituted legal action challenging the order made by SLC in the Court of Appeal under Case No: CA (Writ) 166/2018. The matter was supported on 28 November 2018, and notices were issued on the respondents. Thereafter, SLC filed objections on 15 February 2019 as directed by the Courts. The case was fixed for argument on several dates, the last date being 26 October 2022. The matter has been re-fixed for argument on 19 May 2026.

(b) Guarantees

Guarantees given by the Group and the Company as at 31 December are as follows:

	Group		Company	
	2025	2024	2025	2024
Bank guarantees	1,366,619	586,351	1,178,168	490,125
	1,366,619	586,351	1,178,168	490,125

As at 31 December 2025	On Demand	Within 1 year	1 - 5 years	More than 5 years	Total
Bank Guarantees					
Group	-	1,345,737	20,882	-	1,366,619
Company	-	1,159,424	18,744	-	1,178,168
As at 31 December 2024	On Demand	Within 1 year	1 - 5 years	More than 5 years	Total
Bank Guarantees					
Group	-	586,351	-	-	586,351
Company	-	490,125	-	-	490,125

Notes to the Financial Statements

35 Commitments

(a) Capital commitments

	Group		Company	
	2025	2024	2025	2024
Purchase of telecommunication equipment	6,302,129	7,340,470	4,769,081	5,637,953

(b) Financial commitments

At the end of the financial reporting period, the Group has the following annual commitments:

	2025	2024
Annual fees to the Board of Investment of Sri Lanka	2,799	3,092
Annual maintenance contracts	6,666,730	7,118,096
Undrawn loan facilities (on demand)	2,713	425,176

Undrawn loan facilities (on demand) are relevant to loan facilities granted by Dialog Finance PLC.

36 Incorporations and acquisitions

(a) Dialog Axiata Digital Innovation Fund (Private) Limited ('DADIF')

During the year 2025, Dialog Axiata Digital Innovation Fund (Private) Limited ('DADIF') which is a subsidiary of Digital Holdings Lanka (Private) Limited ('DHL'), issued a total of 70,393 Preference Shares from Fund 2 out of DHL, while the preference share redeemed total of 228,113 and 20,527 preference shares in respect of Fund 1 and Fund 2 respectively out of which DHL was redeemed 228,113 preference shares while the remaining preference shares were redeemed from individual shareholders.

(b) Business Combination and Restatement of Comparative information – Acquisition and merger of Bharti Airtel Lanka (Private) Limited

In the previous financial year, Dialog Axiata PLC ("Dialog") acquired 100% of the issued shares of Bharti Airtel Lanka (Private) Limited ("Airtel Lanka") on 26 June 2024. As disclosed, the initial recognition of identifiable assets acquired and liabilities assumed was based on provisional values in accordance with SLFRS 3 – Business Combinations, pending finalization of the Purchase Price Allocation (PPA).

During the current year, the Group finalized the fair value assessment of the acquired assets and liabilities within the measurement period permitted under SLFRS 3. As a result, adjustments have been made retrospectively to the provisional amounts recognized at the acquisition date.

Assets and Liabilities	Provisional Amount	Adjustment	Restated Amount
Property, plant and equipment	8,237,815	(934,374)	7,303,441
Identifiable intangible assets	2,550,000	-	2,550,000
Right of use assets	3,019,497	-	3,019,497
Other current assets	2,500,873	-	2,500,873
Borrowings	(8,944,053)	-	(8,944,053)
Trade payable and other financial liabilities	(10,851,599)	-	(10,851,599)
Goodwill	14,043,324	934,374	14,977,698
Total consideration	10,555,857	-	10,555,857
Satisfied by:			
Equity instruments	10,555,857	-	10,555,857
Total consideration transferred	10,555,857	-	10,555,857

37 Related party transactions

(a) Axiata Investments (Labuan) Limited owns 73.75% of the total number of shares in issue of the Company. The remaining 26.25% of the shares are widely held. The ultimate parent of the Company is Axiata Group Berhad.

All related party transactions were entered into in the normal course of business and at prices available at negotiated terms. The names of these related parties, nature of these transactions and their total value have been set out in accordance with the provisions of LKAS 24: "Related Party Disclosure".

The Group provides telecommunication services as part of its ordinary operations. These telecommunication services are carried out on commercial terms that are negotiated and agreed upon between the parties.

Notes to the Financial Statements

37 Related party transactions (Contd.)

(b) Details of transactions carried out with related parties in the ordinary course of business are set out below:

	2025	2024
Sales of goods and services		
Subsidiaries		
Site sharing services	2,114,822	2,828,486
Mobile telecommunication services	520,606	617,669
Local interconnection services	3,753	143,547
International interconnection services	215,276	1,221,088
Digital services	24,022	113,237
Managed services	53,789	41,044
Affiliates		
Mobile telecommunication services	193	24,028
International termination services	-	3,066
International interconnection services	22,024	10,022
Inbound roaming services	3	15
Digital services	82,176	210,397
Managed services	1,136	1,136
	3,037,800	5,213,735
Purchase of goods and services		
Ultimate parent company		
Head office support charges	412,929	1,106,080
Subsidiaries		
Fibre and transmission sharing services	4,662,540	4,060,900
Fixed telephony and broadband services	1,366,746	2,409,263
International interconnection services	26,918	28,088
Local interconnection services	4,762	14,112
Site sharing services	246,863	237,319
Data centre services	759,390	537,881
Advertising services	58,749	59,225
Purchase of devices	200,840	246,808
Managed services	6,274	404,091
Site maintenance and development services	1,273,597	1,914,227
Manpower services	21,413	31,626
Other	1,911,491	1,835,655
Affiliates		
International origination services	-	37
Outbound roaming services	459	298
Managed services	1,096,543	1,163,919
Digital Service	16,999	180,086
	12,066,513	14,229,615

	2025	2024
Impairment expense on receivables		
Affiliates	1,056,300	-
Interest income on interest bearing deposits		
Subsidiaries	40,057	44,686
Other transactions:		
Ultimate parent company		
Settlement of liabilities by the company on behalf of parent company	-	6,064
Settlement of liabilities on behalf of the company by parent company	12,340	23,724
Subsidiaries		
Settlement of liabilities by the company on behalf of subsidiaries	3,193,309	4,456,493
Settlement of liabilities on behalf of the company by subsidiaries	415,709	376,356
Affiliates		
Settlement of liabilities by the company on behalf of affiliates	35,958	4,422
Settlement of liabilities on behalf of the company by affiliates	330,320	76,104
Parent company		
Dividends paid	6,785,253	9,092,238

(c) Key management personnel include members of the Group senior management of Dialog Axiata PLC:

	Group / Company	
	2025	2024
Short-term employee benefits	1,448,463	1,340,775
Defined benefit plans	351,847	314,018
	1,800,310	1,654,793

(d) Outstanding receivable balances arising from related company transactions:

Current receivables (Note 15)	Group		Company	
	2025	2024	2025	2024
Subsidiaries	-	-	2,472,422	2,044,749
Affiliates	5,028,845	10,202,341	3,975,630	9,382,760
	5,028,845	10,202,341	6,448,052	11,427,509

Notes to the Financial Statements

37 Related party transactions (Contd.)

(e) Outstanding payable balances arising from related company transactions:

Current payable (Note 19)	Group		Company	
	2025	2024	2025	2024
Ultimate parent company	2,687,147	3,728,513	2,687,147	3,728,513
Subsidiaries	-	-	21,312,617	11,546,140
Affiliates	585,427	2,568,875	500,281	452,042
	3,272,574	6,297,388	24,500,045	15,726,695

The above balances are settled in the ordinary course of business.

Borrowings from ultimate parent company	Group		Company	
	2025	2024	2025	2024
Current borrowings	-	1,536,846	-	1,536,846

(f) Investment in short term deposits

	Group		Company	
	2025	2024	2025	2024
Subsidiaries	684,626	453,657	684,626	453,657
	684,626	453,657	684,626	453,657

(g) Issuance of shares within the group of companies are disclosed in note 36 to the financial statements.

The Directors have disclosed the nature of their interests in contracts, which is entered in the interests register maintained by the Company.

There are no other related party transactions other than those disclosed above.

Affiliates comprise of subsidiaries and associates of the parent company.

38 Events after the reporting period

The Board of Directors of the company has proposed a final dividend of Rs. 1.50 per share for the financial year 2025. As required by section 56 (2) of the Companies Act No. 07 of 2007, the Board of Directors had confirmed that the company satisfied the solvency test in accordance with section 57 of the Company Act No. 07 of 2007, and obtained a certificate from auditors, prior to declaring the dividend.

US Dollar Financial Statements

STATEMENT OF FINANCIAL POSITION

For Information purpose only

As at 31 December USD'000	Group		Company	
	2025	2024 (Restated)	2025	2024 (Restated)
ASSETS				
Non-current assets				
Intangible assets	136,209	126,102	107,104	103,463
Contract cost assets	37,952	44,142	10,190	12,978
Property, plant and equipment	456,968	535,798	348,671	412,123
Right-of-use assets	30,368	37,025	29,261	36,346
Deferred tax assets	729	848	-	-
Investment in subsidiaries	-	-	131,184	138,649
Investment in associates	-	-	-	-
Other financial assets	11,395	13,688	-	-
	673,621	757,603	626,410	703,559
Current assets				
Inventories	5,783	6,044	983	798
Trade and other receivables	121,873	161,611	78,652	117,880
Other financial assets	25,733	13,367	323	-
Cash and cash equivalents	61,441	115,166	48,363	94,680
	214,830	296,188	128,321	213,358
Total assets	888,451	1,053,791	754,731	916,917
EQUITY				
Capital and reserves attributable to equity holders				
Stated capital	128,702	136,026	128,702	136,026
Reserves	161,981	131,057	110,980	94,911
Non-controlling interest	(379)	(251)	-	-
Total equity	290,304	266,832	239,682	230,937
LIABILITIES				
Non-current liabilities				
Borrowings	49,933	121,860	42,399	108,930
Contract liabilities	19,695	19,585	16,349	16,129
Deferred income	738	1,109	738	1,109
Lease liabilities	30,404	36,931	29,516	36,180
Other financial liabilities	971	427	-	-
Employee benefit payables	7,155	7,874	5,097	5,644
Provision for other liabilities	15,988	15,351	14,630	14,076
Deferred tax liability	11,808	3,947	5,805	-
	136,692	207,084	114,534	182,068
Current liabilities				
Trade and other payables	216,454	268,080	228,341	244,829
Borrowings	196,746	245,235	141,558	209,012
Other financial liabilities	10,704	10,718	-	15
Lease liabilities	5,845	5,745	5,507	5,657
Contract liabilities	26,987	45,839	20,779	40,245
Current income tax liabilities	4,719	4,258	4,330	4,154
	461,455	579,875	400,515	503,912
Total liabilities	598,147	786,959	515,049	685,980
Total equity and liabilities	888,451	1,053,791	754,731	916,917
Exchange rate	310.06	293.37	310.06	293.37

US Dollar Financial Statements

STATEMENT OF COMPREHENSIVE INCOME

For Information purpose only

For the year ended 31 December In USD'000	Group		Company	
	2025	2024	2025	2024
Revenue	595,843	568,798	450,339	384,379
Direct costs	(277,830)	(327,234)	(202,860)	(198,125)
Gross profit	318,013	241,564	247,479	186,254
Distribution costs	(66,999)	(61,608)	(57,514)	(51,784)
Administrative costs	(114,713)	(106,316)	(83,262)	(75,357)
Net impairment losses on financial assets	(10,897)	(5,462)	(6,738)	(2,682)
Other income	2,655	868	2,372	515
Operating profit	128,059	69,046	102,337	56,946
Finance income	2,662	4,865	2,648	5,550
Finance costs	(37,527)	(32,751)	(32,936)	(28,784)
Net foreign exchange (loss)/gain	(4,576)	12,588	(4,748)	11,846
Finance costs - net	(39,442)	(15,298)	(35,036)	(11,388)
Share of loss of associates - net of tax	(156)	(115)	-	-
Profit before income tax	88,461	53,633	67,301	45,558
Income tax expense	(19,602)	(12,313)	(15,626)	(8,697)
Profit for the year	68,859	41,320	51,675	36,861
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
- changes in the fair value of equity investments at fair value through other comprehensive income, net of tax	(99)	(73)	-	-
- remeasurements of defined benefit obligation, net of tax	741	87	623	178
Other comprehensive income for the year,	642	14	623	178
Total comprehensive income for the year	69,501	41,334	52,298	37,039
Profit / (loss) for the year is attributable to:				
- owners of the Company	68,891	41,399	51,675	36,861
- non-controlling interest	(33)	(79)	-	-
Total comprehensive income for the year is attributable to:				
- owners of the Company	69,538	41,417	52,298	37,038
- non-controlling interest	(38)	(83)	-	-
Annual average exchange rates	301.49	300.93	301.49	300.93

Group Value Added Statement

For the year ended 31 December In Rs'000	2025	2024
Value added		
Revenue	179,640,832	171,170,280
Other operating income	800,467	261,355
Interest income	802,498	1,464,012
	181,243,797	172,895,647
Cost of materials and services bought in	(103,812,348)	(86,645,656)
Value creation	77,431,449	86,249,991
Distribution of value added		
To employees		
Salaries and other benefits	14,896,123	13,030,467
To government		
Taxes, fees and levies (Note 1)	10,662,412	8,862,032
To lenders of capital		
Interest on borrowings	11,198,444	10,949,411
To shareholders as dividends		
Dividend to shareholders	9,200,335	11,051,838
Community investments		
Donations	446,134	33,908
Retained in the business		
Profit retained	(16,690,113)	(3,464,171)
Depreciation and amortisation	48,164,248	45,786,506
	31,028,001	42,322,335
Distribution of value added		
To employees	19.24%	16.89%
To government	13.77%	10.06%
To lenders of capital	14.46%	12.43%
To shareholders as dividends	11.88%	12.55%
Retained in the business	40.65%	48.06%

Five Year Summary

31 December In Rs. '000	Group				
	2025	2024 (Restated)	2023 (Restated)	2022	2021
OPERATING RESULTS					
Revenue	179,640,832	171,170,280	181,722,046	178,130,762	141,914,839
EBIT	38,608,326	20,778,523	20,873,534	2,568,427	23,440,005
Finance costs	(11,891,301)	(4,603,612)	2,141,937	(33,192,922)	(4,358,481)
Share of loss from associate	(47,115)	(34,585)	(70,363)	(78,077)	(28,765)
Profit before tax	26,669,910	16,140,326	22,945,108	(30,702,572)	19,052,759
Profit after tax	20,759,998	12,434,868	20,112,857	(33,408,691)	17,018,768
Total comprehensive income	20,953,627	12,439,089	21,348,264	(34,644,614)	17,108,297
CAPITAL EMPLOYED					
Stated capital	39,905,563	39,905,563	29,349,706	29,349,706	28,855,862
Share payment reserve	-	-	-	158,834	393,336
Fair value through other comprehensive income reserve	205,571	233,843	254,559	3,267	(27,283)
Retained earnings	50,019,065	38,214,180	36,776,686	15,704,248	64,365,247
Shareholders funds	90,130,199	78,353,586	66,380,951	45,216,055	93,587,162
Non-controlling interest	(117,471)	(73,623)	(44,189)	(66,107)	(72,275)
Total debt	76,486,034	107,693,634	122,765,416	103,589,799	41,835,614
	166,498,762	185,973,597	189,102,178	148,739,747	135,350,501
ASSETS EMPLOYED					
Property, plant and equipment	141,688,633	157,185,633	151,278,847	156,236,582	127,452,429
Other non-current assets	67,175,874	65,070,196	41,315,382	34,975,409	36,948,044
Current assets	66,610,679	86,891,525	93,652,888	75,938,479	54,599,955
Liabilities, net of debt	(108,976,424)	(123,173,757)	(97,144,939)	(118,410,723)	(83,649,927)
	166,498,762	185,973,597	189,102,178	148,739,747	135,350,501

31 December In Rs. '000	Group				
	2025	2024 (Restated)	2023 (Restated)	2022	2021
CASH FLOW					
Net cash generated from operating activities	65,527,025	49,483,444	21,325,868	56,652,745	54,335,628
Net cash outflow from investing activities	(27,334,047)	(38,853,175)	(43,861,784)	(60,072,404)	(39,292,200)
Net cash outflow from financing activities	(47,823,624)	(4,879,635)	(1,161,282)	20,889,071	(14,339,125)
Net (decrease) / increase in cash and cash equivalents	(9,630,646)	5,750,634	(23,697,198)	17,469,412	704,303
Key Indicators					
Basic Earnings Per Share	2.26	1.43	2.44	(4.06)	2.08
Interest Cover (Times)	4.06	2.53	2.53	1.71	29.47
Net Asset Per Share (Rs.)	9.78	8.51	8.04	5.48	11.40
Current Ratio (Times)	0.47	0.51	0.71	0.57	0.53
Price Earnings Ratio (Times)	13.19	8.18	3.69	(2.09)	5.24
Dividend Per share	1.50	1.00	1.34	-	1.24
Dividend Yield (%)	5.03	8.55	14.90	-	11.38
Market Price Per Share (Rs.)	29.80	11.70	9.00	8.50	10.90

Group Real Estate Portfolio

Owning company and location	Number of buildings	buildings in sq feet	Land in acres freehold	Net book value		Fair value
				2025 Rs. '000	2024 Rs. '000	2025 Rs. '000
Properties in Colombo						
Dialog Axiata PLC						
No. 475, Union Place, Colombo 02	3	74,255		228,798	241,253	716,021
No. 25, Samarakoon Mawatha, Thumbowila, Piliyandala	2	22,506	0.57	24,486	25,927	135,036
No. 11, De Soysa Road, Mt lavinia	1	9,500		85,052	88,548	104,500
Foster Lane Car Park and Training Centre	1	54,774		250,558	259,144	290,302
No. 475, Union Place Colombo 02, New office Building	1	157,913		1,107,497	1,145,652	1,658,000
1039/4, Pothuarawa Road, Pothuarawa, Malabe	1		0.62	100,488	100,488	201,120
CDC Building - 25, Samarakoon Mawatha, Thumbowila, Piliyandala	1	2,554	0.01	232,544	232,234	251,029
Dialog Broadband Networks (Private) Limited						
390 D, Horizon Drive Road, Welivita, Malabe	2	40,960	3.76	519,903	516,071	777,600
No.24, Foster Lane, Union place, Colombo 02			0.24	129,998	129,998	500,000
No.55/2C, Old Avissawella Road,Kotikawatta	1	12,360	0.48	28,091	28,859	178,200
DBN Site, De Soysa Road, Mount lavinia			0.17	44,428	44,428	93,500
Kaluandura, Puwakkpitiya, Avissawella			0.66	931	931	7,726
DBN Site, 86/14, 15th lane, Talangama, Battaramulla			0.06	1,680	1,680	11,900
Alubogahawatta, Rukmale, Kottawa			0.13	2,212	2,212	14,200
DBN Site, Imbaulakannda, Gamunu Road, Homagama			0.09	779	779	11,963
Siddamulla Temple, Siddamulla, Mattegoda			0.07	1,646	1,646	9,600

Owning company and location	Number of buildings	buildings in sq feet	Land in acres freehold	Net book value		Fair value
				2025 Rs. '000	2024 Rs. '000	2025 Rs. '000
Properties outside Colombo						
Dialog Axiata PLC						
Matara Cable Landing Station			0.24	195,707	201,042	-
Dialog Broadband Networks (Private) Limited						
Saliya Mawatha, Anuradhapura			1.92	7,778	7,778	85,690
Vewaykananthapuram, Nawatkuda, Batticaloa			0.25	4,131	4,131	18,000
Thambakanda, Kochchikade			0.80	1,275	1,275	9,600
Kotakanda, Kuda Bingiriya, Madampe			0.70	1,477	1,477	4,750
Walagamageatta, Browns Hill, Matara			0.23	7,088	7,088	43,200
Anuradhapura Road, Baristapura, Puttalam			2.32	7,624	7,624	39,500
Ambalankanda, Horana.			0.13	400	400	3,000
Semanery Estate, Meekanuwa, Ampitiya			0.18	1,403	1,403	16,000
Wilahena Road, Pamunuwala, Gonawela			0.12	609	609	12,400
Puwakgaslanda, Ehaliyagoda, Ganemulla			0.13	400	400	6,400
Millagahawatta, Batalanda Road, Mahara, Ragama			0.07	531	531	5,400
40, 1st Lane, Vishakawatta, Ekala, Ja Ela			0.13	1,100	1,100	10,400
Muthuwadiya Road, Raddoluwa, Seeduwa			0.13	1,000	1,000	17,800
78/2, Prison Road, Dalupotha, Kattuwa			0.09	657	657	10,700
42/2, Pitakanda Road, Watapuluwa, Mahiyyawa, Kandy			0.54	3,500	3,500	217,000
No. 358, Colombo Raod, Bolawalana, Negombo.			0.10	1,950	1,950	37,300
Suntel Switch, Richmond Hill Estate, Hantana			0.25	2,133	2,133	30,000
20, Rathna Mw, Kurana, Negambo			0.12	1,380	1,380	15,780
66, Sriya Mw, Panadura			0.17	1,960	1,960	35,800
81/19, Madawala Road, Katugasthota			0.08	1,413	1,413	10,900
Dialog Finance PLC						
No.21, Kumara Veediya, Kandy	1	3,040	0.02	-	15,086	-

Catalysing What Comes Next

Across connectivity, digital platforms and national initiatives, Dialog continues to catalyse progress by enabling meaningful outcomes for individuals, enterprises and communities. From expanding next-generation networks to advancing AI-driven solutions and strengthening inclusive ecosystems, each step reflects our commitment to creating lasting value while progressing towards more sustainable and responsible operations.

As Sri Lanka's digital journey evolves, we remain focused on building resilient infrastructure, minimising environmental impact and empowering stakeholders to navigate a rapidly changing world. With a clear strategic direction and a strong foundation, Dialog will continue to catalyse new possibilities, shaping a more connected, inclusive and future-ready Sri Lanka.



Supplementary Information

292	GRI Content Index	311	Independent Sustainability Assurance Statement
302	GSMA Content Index	313	Notice of Annual General Meeting
305	SASB Content Index	314	Administrative Details for the 28th Annual General Meeting
307	United Nations Global Compact Advanced Level Communication on Progress	315	Form of Proxy
308	United Nations Women Empowerment Principles (WEPs)	IBC	Corporate Information
310	ISO Certifications		

GRI Content Index



CONTENT INDEX ESSENTIALS SERVICE

2026

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

Statement of Use	Dialog Axiata PLC has reported in accordance with the GRI Standards for the period 1 January 2025 to 31 December 2025
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	There is no applicable sector standard

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	

General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	About Us (Page 7)	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization's sustainability reporting	About Us (Page 7)				
	2-3 Reporting period, frequency and contact point	About This Report (Page 4)				
	2-4 Restatements of information	About This Report (Page 4)				
	2-5 External assurance	Independent Sustainability Assurance (Page 311)				
	2-6 Activities, value chain and other business relationships	Human Capital (Page 80)				
	2-7 Employees	Human Capital (Page 80)				
	2-8 Workers who are not employees	Human Capital (Page 80)				
	2-9 Governance structure and composition	Corporate Governance (Page 150)				
	2-10 Nomination and selection of the highest governance body	Corporate Governance (Page 150)				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
	2-11 Chair of the highest governance body	Corporate Governance (Page 150)				
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance (Page 150)				
	2-13 Delegation of responsibility for managing impacts	Corporate Governance (Page 152)				
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance (Page 153)				
	2-15 Conflicts of interest	Corporate Governance (Page 151)				
	2-16 Communication of critical concerns	Corporate Governance (Page 155)				
	2-17 Collective knowledge of the highest governance body	Corporate Governance (Page 156)				
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance (Page 154)				
	2-19 Remuneration policies	Corporate Governance (Page 154)				
	2-20 Process to determine remuneration	Corporate Governance (Page 154)				
	2-21 Annual total compensation ratio	Not Reported	Annual total compensation ratio	Information is unavailable due to organisation policies on sensitive information being disclosed	The organisation's policy does not allow us to disclose such sensitive information	
	2-22 Statement on sustainable development strategy	Corporate Governance (Page 156)				

GRI Content Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
	2-23 Policy commitments	Corporate Governance (Page 158)				
	2-24 Embedding policy commitments	Corporate Governance (Page 158)				
	2-25 Processes to remediate negative impacts	Corporate Governance (Page 158)				
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance (Page 159)				
	2-27 Compliance with laws and regulations	Social and Relationship Capital (Page 98)				
	2-28 Membership associations	Corporate Governance (Page 152)				
	2-29 Approach to stakeholder engagement	Stakeholder Engagement (Page 44)				
	2-30 Collective bargaining agreements	Not Applicable	Collective bargaining agreements	Not applicable	Dialog does not have any trade unions	
Material Topics						
GRI3: Material Topics 2021	3-1 Process to determine material topics	Determining Material Matters (Page 48)	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	3-2 List of material topics	Financial Capital (Page 75)				
Corporate Governance & Business Ethics						
GRI3: Material Topics 2021	3-3 Management of material topics	Corporate Governance (Page 148)				
GRI2: General Disclosures 2021	2-9 to 2-21	See index entries above				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Customer Satisfaction and Relationships - Affinity						
GRI3: Material Topics 2021	3-3 Management of material topics	Social and Relationship Capital (Page 97)				
Network Quality & Expansion - Availability						
GRI 3: Material Topics 2021	3-3 Management of material topics	Manufactured Capital (Page 123)				
Managing Systemic Risks						
GRI 3: Material Topics 2021	3-3 Management of material topics	Risks and Opportunities (Page 171)				
Affordability						
GRI 3: Material Topics 2021	3-3 Management of material topics	Social and Relationship Capital (Page 97)				
Community/Society						
GRI 3: Material Topics 2021	3-3 Management of material topics	Social and Relationship Capital (Page 97)				
Selling Practices of financial services						
GRI 3: Material Topics 2021	3-3 Management of material topics	Social & Relationship Capital (Page 97)				
Labour practices and standards						
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital (Page 80)				
Product End-of-Life Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital (Page 129)				

GRI Content Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Competitive Behaviour and Open Internet						
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance (Page 148)				
Economic Performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	Financial Capital (Page 75)				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Socioeconomic Impact (Page 12)				
	201-2 Financial implications and other risks and opportunities due to climate change	Risks and Opportunities (Page 171)				
	201-3 Defined benefit plan obligations and other retirement plans	Human Capital (Page 80)				
	201-4 Financial assistance received from government	Not Applicable	Financial assistance received from government	Not applicable	Dialog has not received any financial assistance from the government	
Innovation - Applicability						
GRI 3: Material Topics 2021	3-3 Management of material topics	Manufactured Capital (Page 123)				
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Manufactured Capital (Page 123)				
	203-2 Significant indirect economic impacts	Manufactured Capital (Page 123)				
Responsible Procurement						
GRI 3: Material Topics 2021	3-3 Management of material topics	Social and Relationship Capital (Page 97)				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Social and Relationship Capital (Page 109)				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Social and Relationship Capital (Page 106)				
	308-2 Negative environmental impacts in the supply chain and actions taken	Social and Relationship Capital (Page 106)				
GRI 408: Child Labor 2016	408-1: Operations and suppliers at significant risk for incidents of child labor	Social and Relationship Capital (Page 106)				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Social and Relationship Capital (Page 106)				
	414-2 Negative social impacts in the supply chain and actions taken	Social and Relationship Capital (Page 106)				
Compliance						
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Strategy (Page 60)				
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	Our Strategy (Page 60)				
	205-2 Communication and training about anti- corruption policies and procedures	Social and Relationship Capital (Page 98)				
	205-3 Confirmed incidents of corruption and actions taken	Social and Relationship Capital (Page 98)				

GRI Content Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Environmental Performance and Climate Action						
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital (Page 129)				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Natural Capital (Page 129)				
	302-2 Energy consumption outside of the organization	Natural Capital (Page 129)				
	302-3 Energy intensity	Natural Capital (Page 129)				
	302-4 Reduction of energy consumption	Natural Capital (Page 129)				
	302-5 Reductions in energy requirements of products and services	Natural Capital (Page 129)				
GRI 303: Water and Effluents 2018	303-5 Water consumption	Natural Capital (Page 129)				
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Natural Capital (Page 129)				
	305-3 Other indirect (Scope 3) GHG emissions	Natural Capital (Page 129)				
	305-4 GHG emissions intensity	Natural Capital (Page 129)				
	305-5 Reduction of GHG emissions	Natural Capital (Page 129)				
	305-6 Emissions of ozone-depleting substances (ODS)	Natural Capital (Page 129)				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Capital (Page 129)				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Product end-of-life management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Natural Capital (Page 129)				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Natural Capital (Page 129)				
	306-2 Management of significant waste-related impacts	Natural Capital (Page 129)				
	306-3 Waste generated	Natural Capital (Page 129)				
	306-4 Waste diverted from disposal	Natural Capital (Page 129)				
	306-5 Waste directed to disposal	Natural Capital (Page 129)				
Employee Competence						
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital (Page 80)				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Capital (Page 87)				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital (Page 87)				
	401-3 Parental leave	Human Capital (Page 87)				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Capital (Page 92)				
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Human Capital (Page 92)				
	404-3 Percentage of employees receiving regular performance and career development reviews	Human Capital (Page 92)				

GRI Content Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Occupational Health and Safety & Well-Being						
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital (Page 80)				
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Human Capital (Page 81)				
	403-2 Hazard identification, risk assessment, and incident investigation	Human Capital (Page 81)				
	403-3 Occupational health services	Human Capital (Page 81)				
	403-4 Worker participation, consultation, and communication on occupational health and safety	Human Capital (Page 81)				
	403-5 Worker training on occupational health and safety	Human Capital (Page 81)				
	403-6 Promotion of worker health	Human Capital (Page 81)				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital (Page 81)				
	403-8 Workers covered by an occupational health and safety management system	Human Capital (Page 81)				
	403-9 Work-related injuries	Human Capital (Page 90)				
	403-10 Work-related ill health	Human Capital (Page 90)				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Diversity and Non-Discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Capital (Page 80)				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Corporate Governance (Page 150)				
	405-2 Ratio of basic salary and remuneration of women to men	Human Capital (Page 95)				
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Capital (Page 86)				
Digital and Financial Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	Social and Relationship Capital (Page 98)				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Social and Relationship Capital (Page 118)				
	413-2 Operations with significant actual and potential negative impacts on local communities	Social and Relationship Capital (Page 118)				
Cybersecurity & Data Privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Governance (Page 159)				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Social and Relationship Capital (Page 102)				

GSMA Content Index

Category	Topics	Metrics	Code	Unit	2024	2025	% Change	
Environment	Emissions	1.2a. Scope 1 and 2 GHG emissions	GSMA ENV-02	tonnes CO2e	112,457.24	114,746.60	2.04%	
		i. Scope 1 emissions		tonnes CO2e	6,817.46	3,680.41	-46.01%	
		ii. Scope 2 emissions		tonnes CO2e	105,639.78	111,066.19	5.14%	
		iii. Scope 3 emissions		tonnes CO2e	16,225.46	17,112.56	5.47%	
		iv. Percentage change in combined Scope 1 and 2 emissions since last reporting period		%	3.10%	2.04%	-1.06%	
		1.2b. ii. Scope 3 emissions, by category		tonnes CO2e	1. Category 3: Fuel and Energy related activities - Electricity Transmission and Distribution losses - 10,563.98 2. Category 6: Business travel - 682.07 3. Category 7: Employee commuting - 4,908.18 4. Category 5: Waste - 71.23	1. Category 3: Fuel and Energy related activities - Electricity Transmission and Distribution losses - 11,138.70 2. Category 6: Business travel - 820.15 3. Category 7: Employee commuting - 5,108.94 4. Category 5: Waste - 44.76	1. Category 3: Fuel and Energy related activities - Electricity Transmission and Distribution losses 5.44% 2. Category 6: Business travel 20.24% 3. Category 7: Employee commuting 4.09% 4. Category 5: Waste -37.16%	
		1.3a. i. Total energy consumption		GJ	810,069.41	894,247.13	10.39%	
		ii. Grid Electricity		%	93.26	96.83	3.57	
		iii. Renewable Energy		%	2.57	2.53	-0.04	
		iv. Total diesel consumption in generators		L	880,772	882,060	0.15%	
		1.4b. ii. Percentage of used mobile devices collected through operator take-back schemes in the reporting period that were repaired, reused or recycled i.e. diverted from landfill or incineration		%	100% recycled	100% recycled	0	
		Electronic Waste	1.5a. i. Total electronic waste generated	GSMA ENV-05	Tonnes	624	668	7.05%

Category	Topics	Metrics	Code	Unit	2024	2025	% Change
		ii. Percentage of electronic waste reused or recycled, by weight		%	100% recycled	100% recycled	0
Digital Inclusion	Network Coverage	2.1. Percentage of population covered by operator's mobile network breakdown by	GSMA INC-01	%	98.2	97.5	-0.7
		i. 2G		%	98.9	97	-1.9
		ii. 4G		%	97.4	98	0.6
	Affordability	2.2a. Retail price of the most affordable smartphone, as percentage of monthly GDP per capita	GSMA INC-02	%	27	23	-4.0
		2.2b. Average cost of 1GB of data, as percentage of monthly GDP per capita		%	37.6	39.5	1.9
	Digital skills	2.3. Number of people (excluding employees) who have completed a basic, intermediate or advanced digital skills training programme (as per ITU definition)	GSMA INC-03	No.	490	1500	206%
Digital Integrity	Data protection	3.1a. Number of data breaches, per million subscribers	GSMA INT-01	No.	0	0	0
		3.1b. Percentage of data breaches involving PII		%	0	0	0
		3.1c. Number of customers affected, per million subscribers		No.	0	0	0
		3.1d. Number of regulatory actions for data protection violations (e.g. marketing-related complaints, data breaches), per million subscribers		No.	0	0	0
	Digital rights	3.2. Is there a policy specifically covering digital rights protection and transparency, privacy, freedom of expression, government mandates to shut down or restrict access, and/or government requests for data? (Yes/No)	GSMA INT-02	Y/N	Yes	Yes	N/A

GSMA Content Index

Category	Topics	Metrics	Code	Unit	2024	2025	% Change
	Online Safety	3.3. Do you have controls or programmes in place to improve online safety for children and other vulnerable groups? (Yes/No)	GSMA INT-03	Y/N	Yes	Yes	N/A
Sustainable Supply Chain	Sustainable procurement policy	4.1a. Do you have a sustainable procurement policy in place? (Yes/No)	GSMA SUP-01	Y/N	Yes	Yes	N/A
	Supplier assessments	4.2a. Percentage of suppliers screened against the sustainable procurement policy using company defined and documented assessment procedure, within the previous two years	GSMA SUP-02	%	100	100	0
		4.2b. Percentage of suppliers assessed against the sustainable procurement policy through site visits, within the previous two years		%	20	20	0

SASB Content Index

Disclosure Topic	Code	Metrics	Unit	2024	2025	% Change
Environmental Footprint of Operations	TC-TL-130a.1	Total Energy Consumed	GJ	810,069.41	TBF	
		Grid Electricity	%	93.26	TBF	
		Renewable Energy	%	2.57	TBF	
Data Privacy	TC-TL-220a.2	Number of customers whose information is used for secondary purposes	Number	0	0	0
	TC-TL-220a.3	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Rs.	0	0	0
	TC-TL-220a.4	Number of law enforcement requests for customer information	Number	37,553	91,500	144%
		Number of customers whose information was requested	Number	20,537,971	38,933	-100%
		Percentage resulting in disclosure	%	100	100	0
Data Security	TC-TL-230a.1	Number of data breaches	Number	0	0	0
		Percentage that are personal data breaches	%	0	0	0
		Number of customers affected	Number	0	0	0
Product End of Life Management	TC-TL-440a.1	Materials recovered through take back programmes	Tonnes	5.30	3.74	-29.43%
		Percentage of materials that were	%			
		a) reused		0	0	0
		b) recycled		100	100	0
		c) landfilled		0	0	0
Competitive Behavior and Open Internet	TC-TL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Rs.	0	0	0
Managing Systematic Risks from Technology Disruptions	TC-TL-550a.1	System average interruption duration	Minutes	0	0	0
		System average interruption frequency	Minutes	0	0	0
		Customer average interruption duration	Minutes	0	0	0
Activity Metrics	TC-TL-000.A	Number of wireless subscribers	Number	5,305,741	4,620,235	-13%
	TC-TL-000.B	Number of Dialog TV subscribers	Number	191,793	212,171	11%
	TC-TL-000.C	Number of broadband subscribers	Number	183,551	156,794	-15%
	TC-TL-000.D	Network Traffic	Petabytes	2,006,329,048	2,362,052,844	18%

SASB Content Index

Topic	Code	Metrics	Unit	2024	2025	% Change
Customer Privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes	Number	0	0	0
	FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Rs.	0	0	0
Data Security	FN-CF-230a.1	Number of data breaches,	Number	0	0	0
		Percentage that are personal data breaches,	%	0	0	0
		Number of account holders affected	Number	0	0	0
	FN-CF-230a.2	Card-related fraud losses from,				
		Card not-present fraud and	Rs.	N/A	N/A	N/A
		Card-present and other fraud	Rs.	N/A	N/A	N/A
Selling Practices	FN-CF-270a.1	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	%	3.03%	1.49%	-1.54%
	FN-CF-270a.2	Approval rate for;				
		Credit	%	N/A	N/A	N/A
	FN-CF-270a.3	Prepaid products for applicants 5 Quantitative Percentage	%	N/A	N/A	N/A
		Average fees from add-on products,	Rs.	N/A	N/A	N/A
	FN-CF-270a.4	Average annual fees for pre-paid products	Rs.	N/A	N/A	N/A
		Number of customer complaints filed,	Number	20	40	100%
FN-CF-270a.5	Percentage with monetary or nonmonetary relief	%	N/A	N/A	N/A	
Activity Metrics	FN-CF-000.A	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Rs.	N/A	N/A	N/A
		Number of unique consumers with an active account	Number	28,285	31,022	10%
		Credit card	Number	0	0	0
	FN-CF-000.B	Pre-paid debit card account	Number	0	0	0
		Number of;				
		Credit card accounts	Number	0	0	0
	Pre-paid debit card accounts	Number	0	0	0	

United Nations Global Compact Advanced Level Communication on Progress

Criterion and Description	Relevant Section in the Report
Principle 01: Strategy, Governance and Engagement	
Key aspects of the Company's high level sustainability strategy in line with Global Compact principles	Group Chief Executive's Review of Operations, Our Strategy
Effective decision-making processes and systems of governance for corporate sustainability	Corporate Governance Report
Engagement with all important stakeholders	Stakeholder Engagement, Determining Materiality
Principle 02: UN Goals and Issues	
Actions taken in support of broader UN goals and issues	Group Chief Executive's Review of Operations, Our Strategy
Principle 03: Human Rights Implementation	
Robust commitments, strategies, or policies in the area of human rights	Human Capital, Social and Relationship Capital, Corporate Governance Report
Effective management systems to integrate the human rights principles	Human Capital, Social and Relationship Capital
Effective monitoring and evaluation mechanisms of human rights integration	Human Capital, Social and Relationship Capital
Key outcomes of human rights integration	Human Capital, Social and Relationship Capital
Principle 04: Labour Principles Implementation	
Robust commitments, strategies or policies in the area of environmental labour	Human Capital
Effective management systems to integrate the labour principles	Human Capital
Effective monitoring and evaluation mechanisms of labour principles	Human Capital
Key outcomes of the labour principles	Human Capital
Principle 05: Environmental Stewardship Implementation	
Robust commitments, strategies or policies in the area of environmental stewardship	Natural Capital
Effective management systems to integrate the environmental principles	Natural Capital
Effective monitoring and evaluation mechanisms for environmental stewardship	Natural Capital
Key outcomes of integration of the environmental principles	Natural Capital
Principle 06: Anti-corruption Implementation	
Robust commitments, strategies or policies in the area of anti-corruption	Corporate Governance Report
Effective management systems to integrate the anti-corruption principle	Corporate Governance Report
Effective monitoring and evaluation mechanisms for the integration of anticorruption	Corporate Governance Report
Key outcomes of integration of the anti-corruption principle	Corporate Governance Report
Principle 07: Value Chain Implementation	
Describes implementation of the Global Compact principles in the value chain	Social and Relationship Capital
Principle 08: Transparency and Verification	
Information on the Company's profile and context of operation	About Us
High standards of transparency and disclosure	About This Report
The COP is independently verified by a credible third-party	Independent Assurance Statement

United Nations Women Empowerment Principles (WEPs) Progress

Principle	2024 Targets	Progress in 2025
1 High-level corporate leadership	Embedding values of gender equality into business values, business plan and overall organizational culture.	Developed a DEI framework with 3 principles which covers the company governance and community programmes.
	Establishing company-wide goals and targets for gender equality and women's empowerment and measuring progress through clear performance indicators.	<ol style="list-style-type: none"> 1. Completed all GSMA Connected Women Initiatives. 2. Embedded GSMA principles for driving digital inclusion. 3. Improvement in women's representation in workforce with an increase of 10% YoY.
	Reviewing the requirements for board membership and other governance bodies and committees, to remove any discrimination or bias against women.	Relooked at the policies and procedures to avoid any discrimination by making sure all policies and procedures were upto date.
2 Treat all women and men fairly at work without discrimination	Paying equal remuneration, including benefits and bonuses, for work of equal value and ensure at a minimum a living wage for all women and men employees.	At Dialog, we ensure that all labor laws are adhered and all employees gain equal remuneration. Further details can be found in the remuneration chapter.
	Fostering an inclusive workplace culture and remove gender-based discrimination from all policies and practices.	All initiatives and practices were standardised and updated to meet the requirements.
	Support women and men's access to child and dependent care through services.	Introduced an allowance for childcare services. Childcare Benefit of LKR 50,000 to ease the financial burden of childcare for mothers and fathers, enabling a smoother balance between work and family life. By supporting access to quality childcare, we hope to empower parents to pursue their careers with greater peace of mind.
	Regularly engaging and consulting employees on their perspectives and needs.	HR Business Partner involvement to address employee needs, a whistleblowing system for employees to report any harassment within the organisation, and an annual engagement survey to assess employee satisfaction.
	Providing extended maternity and paternity leaves.	Extended maternity and paternity leaves to 100 and 5 days respectively.
	Conducting health and well-being programmes.	Conducted panel discussions and programmes on mental health, wellness and financial literacy throughout the year.
3 Employee health, well-being and safety	Establishing internal policies and procedures preventing all forms of violence and sexual harassment at work.	Internal policies and procedures preventing all forms of violence and sexual harassment at work has always been established at Dialog.
	Respecting women and men workers' rights to time off for medical care and counseling for themselves and their dependents.	Dialog always respects women and men workers' rights to time off for medical care and counselling for themselves and their dependents.
	Providing safe working conditions and protection from exposure to hazardous materials and disclose potential risks, including to reproductive health.	Safe working conditions and protection from exposure to hazardous materials and disclosure of potential risks including to reproductive health have always been provided and assessed. More details can be found in our health and safety section.

	Principle	2024 Targets	Progress in 2025
4	Education and training for career advancement	Investing in programmes that open avenues for women's advancement at all levels and across all business areas.	Arranged programmes and training for women empowerment which targeted the women population throughout the island.
		Ensuring equal access to and participation in all company-supported education and training programmes.	Ensured equal access to and participation in all company-supported education and training programmes.
		Providing equal opportunities for formal and informal networking and mentoring programmes.	Provided equal opportunities for formal and informal networking and mentoring programmes.
		Conducting sexual harassment and unconscious bias training and awareness raising on the corporate gender equality policy and action plan.	A panel discussion was conducted covering these topics for all internal staff.
5	Enterprise development, supply chain and marketing practices	Organizing Ideamart for Women quarterly programmes for female entrepreneurs .	Organised programmes for female entrepreneurs throughout the island on digital literacy.
		Training on digital skill development for SMEs	GSMA Mobile Internet Training Tool Kit was introduced.
		Supporting gender sensitive solutions to women's barriers to accessing financial products and services.	eZ Cash and Genie women focus workshops were conducted by creating more awareness on financial literacy and empowering women.
6	Community initiatives and advocacy	Working with stakeholders to support community well-being through Yeheli.lk.	Conducted a 3 day awareness campaign for internal staff on women's day along with a national awareness campaign for breast cancer and early detection.
		Communication on importance of DEI to community through Dialog platforms.	Social media campaigns and a PR on DEI showcasing our win; National Best DEI Initiative Award at the DEI Champions Awards 2025.
7	Measurement and reporting	Taking the WEPs Gap Analysis Tool to establish a baseline for WEPs implementation.	The tool was used for internal assesment to address the gaps and align with the principles.
		Identifying key performance indicators for gender equality, measuring and reporting.	Completed this year which is in more detail in the report under the DEI section.
		Report annually on progress in the implementation of the Women's Empowerment Principles.	Dialog became a signatory of UN Women in 2024 and has been reporting since then.

ISO Certifications

ISO 9001:2015

Quality Management System

ISO 14001:2015

Environment Management System

ISO 27001:2022

Information Security Management Systems

ISO 27701:2025

Privacy Information Management

ISO 37001:2016

Anti-Bribery Management Systems

ISO 27017:2015

Information Security for Cloud Services

ISO 27018:2019

Information Security for Cloud Services

ISO 22301:2019

Business Continuity Management Systems

ISO 14064-1:2018

Quantification and Reporting of Greenhouse Gas Emissions and Removals

Independent Sustainability Assurance Statement

Deloitte.

Deloitte Partners
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Sri Lanka

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+94 11 771 9838
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www.deloitte.com

INDEPENDENT ASSURANCE REPORT TO THE BOARD OF THE DIRECTORS OF DIALOG AXIATA PLC ON THE INFORMATION PRESENTED WITH REFERENCE TO THE GRI, SLFRS S1 and S2, SASB, GSMA SUSTAINABILITY STANDARDS, TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD) AND THE INTEGRATED REPORTING <IR> FRAMEWORK IN THE INTERGRATED ANNUAL REPORT – 2025

Scope

We have been engaged by the management of Dialog Axiata PLC (“the Company”) to perform an independent limited assurance engagement, as defined by the Sri Lanka Standards on Assurance Engagements, on the information presented with reference to the GRI (Global Reporting Initiative), SLFRS S1 and S2, SASB (Sustainability Accounting Standards Board) Standards, GSMA Sustainability Standards, Taskforce on Nature-related Financial Disclosures (TNFD) and the Integrated Reporting <IR> Framework (“Information”) in its Integrated Annual Report for the year ended 31 December 2025 (the “Report”).

Management’s Responsibility

Management of the Company is responsible for preparation and presentation of the information with reference to the GRI, SLFRS S1 and S2, SASB standards, GSMA Sustainability

Standards, Taskforce on Nature-related Financial Disclosures (TNFD) and the Integrated Reporting <IR> framework. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the information that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. The firm applies Sri Lanka Standards on Quality Management (ISQM) 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a conclusion on the information presented in Report with reference to the GRI, SLFRS S1 and S2, SASB standards, GSMA Sustainability

Standards, Taskforce on Nature-related Financial Disclosures (TNFD) and the Integrated Reporting <IR> framework. We conducted our limited assurance engagement in accordance with the Sri Lanka Standard on Assurance Engagements 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information (“SLSAE 3000”) issued by the Institute of Chartered Accountants of Sri Lanka. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the information is free from material misstatement.

A limited assurance engagement undertaken in accordance with SLSAE 3000 involves assessing the risks of material misstatement of the information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and were included,

C S Manoharan FCA, T U Jayasinghe FCA, M D B Boyagoda FCA, H A C H Gunarathne FCA, M P M T Gunasekara FCA, N R Gunasekera FCA, M S J Henry FCA, M M R Hilmy FCA, H P V Lakdeva FCA, K M D R P Manatunga FCA, M M M Manzeer FCA, L A C Tillekeratne FCA, D C A J Yapa FCA

Regd. Office: P.O. Box 918, 100 Braybrooke Place, Colombo 02, Sri Lanka. Reg. No.: w/4179

Independent Sustainability Assurance Statement

Deloitte.

- Comparing of the content of the Report against the GRI, SLFRS S1 and S2, SASB standards, GSMA Sustainability Standards, Taskforce on Nature-related Financial Disclosures (TNFD) and the Integrated Reporting <IR> framework.
- Inquiring relevant organization’s personnel to understand the process for collection, analysis, aggregation, and presentation of data.
- Cross checking the non-financial data /information presented in the Report with the supporting documents and schedules maintained by the Company.
- Checking the calculations performed by the organization on a sample basis through recalculation.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information, as defined above, for the year ended 31 December 2025, is not presented, in all material respects, with reference to the GRI, SLFRS S1 and S2, SASB standards, GSMA Sustainability Standards, Taskforce on Nature-related Financial Disclosures (TNFD) and the Integrated Reporting <IR> Framework.

Disclosures covered by our Limited Assurance engagement

The selected Sustainability Related Disclosures pertaining to sustainability standards (Notwithstanding the <IR> Framework) covered by our Limited assurance engagement are:

Sustainability Related Disclosures	Dialog Axiata PLC’s sections	Page Number
SASB Standards – Telecommunication	SASB Content Index	305 to 306
GRI Standards	GRI Content Index	292 to 301
GSMA Standards	GSMA Content Index	302 to 304
Taskforce on Nature-related Financial Disclosures (TNFD) – “Locate” Phase	TNFD Disclosures	138
SLFRS S1. Paragraph 26 – 27	Governance	171 to 174
SLFRS S1. Paragraph 28 – 40	Strategy	185 to 192
SLFRS S1. Paragraph 43 – 44	Risk management	175 to 192
SLFRS S1. Paragraph 45 – 53	Metrics & Targets	302 to 306
SLFRS S2. Paragraph 05 – 06	Governance	171 to 174
SLFRS S2. Paragraph 08 – 21	Strategy	185 to 192
SLFRS S2. Paragraph 24 – 26	Risk management	175 to 192
SLFRS S2. Paragraph 27 – 37	Metrics & Targets	302 to 306

Other Matter

Our assurance is not extending to the prospective/comparative information, or any other information presented in the Report other than based on the GRI, SLFRS S1 and S2, SASB standards, GSMA Sustainability Standards and the Integrated Reporting <IR> framework. Further, we do not provide any assurance on the assumptions and achievability of prospective information presented in the Report including forward-looking statements and growth-related projections.

Deloitte Partners .

Deloitte Partners Sri Lanka
Chartered Accountants
Colombo
15th May 2026

Notice of Annual General Meeting

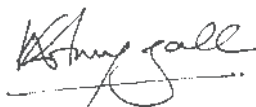
DIALOG AXIATA PLC (PQ 38)

NOTICE IS HEREBY GIVEN THAT THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AS A FULLY VIRTUAL MEETING ON THURSDAY, 11 JUNE 2026 AT 4.00PM (IST – INDIA STANDARD TIME) FROM THE BROADCAST VENUE AT THE AUDITORIUM, DIALOG AXIATA PLC, 15TH FLOOR, NO. 475, UNION PLACE, COLOMBO 2, SRI LANKA.

1. To receive and consider the Report of the Directors and the Statement of Accounts for the Financial Year ended 31 December 2025 and the Auditors' Report thereon.
2. To declare a final dividend of LKR 1.50 per share for the financial year ended 31 December 2025, as recommended by the Board of Directors.
3. To re-elect as a Director, Ms. Komathi Balakrishnan, who retires by rotation pursuant to Article 102 of the Articles of Association of the Company.
4. To re-elect as a Director, Mr. Thomas Hundt, who retires by rotation pursuant to Article 102 of the Articles of Association of the Company.
5. To re-elect as a Director, Mr. Arjuna Herath, who was appointed to the Board since the last Annual General Meeting pursuant to Article 109 of the Articles of Association of the Company.
6. To re-appoint as a Director, Mr. David Nai Pek Lau, who attained the age of 73 years on 7 November 2025, by passing of the following Ordinary Resolution:

"THAT in terms of Section 211 of the Companies Act No. 07 of 2007, the age limit stipulated in Section 210 of the Companies Act No. 7 of 2007 shall not apply to Mr. David Nai Pek Lau, who is 73 years of age and that he be reappointed a Director of the Company."
7. To re-appoint Messrs. Deloitte Partners, Chartered Accountants, as Auditors to the Company and to authorise the Directors to determine their remuneration.
8. To authorise the Directors to determine and make donations.

By Order of the Board



Ms. Viranthi Attygalle
Group Company Secretary

29 April 2026

Notes:

- i) The AGM will be held as a fully virtual meeting, and as such shareholders will only be able to participate in the AGM virtually, via the designated online meeting platform.
- ii) Only persons who are shareholders of the Company and whose names appear on the Share Register as at 4 June 2026 will be entitled to participate in the above virtual meeting.
- iii) A shareholder entitled to participate and vote at the above virtual meeting is entitled to appoint a proxy to participate and vote in his/her place by completing the Form of Proxy enclosed herewith.
- iv) A proxy need not be a shareholder of the Company. However, the proxy must be above 18 years of age.

Administrative Details for the 29th Annual General Meeting

The 29th Annual General Meeting (AGM) of Dialog Axiata PLC (the "Company") will be held as a fully virtual meeting on Thursday, 11 June 2026 at 4:00PM (IST – India Standard Time).

The details regarding the participation and the procedure to be adopted during the AGM are set out below.

DATE, TIME AND CONDUCT OF AGM

- (a) The AGM will be held as a fully virtual meeting on Thursday 11 June 2026 at 4:00PM (IST – India Standard Time).
- (b) Certain members of the Board and other key officials who are essential for the administration of the meeting will be physically present in the Auditorium of the Company. All others, including shareholders, will participate via a designated online meeting platform.

NOTICE OF AGM AND FORM OF PROXY

The Notice of AGM and accompanying Form of Proxy are attached herewith and will also be published on the corporate website at <https://www.dialog.lk/shareholder-notification>.

NO PERSONAL ATTENDANCE AT AGM

The AGM will be held virtually, and as such shareholders will only be able to participate in the AGM virtually, via the designated online meeting platform.

ALTERNATIVE ARRANGEMENTS FOR PARTICIPATION AT THE AGM

Shareholders may participate at the AGM by:

- (a) participating in the AGM via the designated online meeting platform;
- (b) submitting questions in advance of the AGM; and/or
- (c) duly appointing a proxy to participate and vote on their behalf at the AGM.

CONFIRMATION OF PARTICIPATION AND PRE-REGISTRATION

- (a) Shareholders of the Company who wish to participate at the virtual AGM and whose names appear on the Share Register as of 4 June 2026 are required pre-register participation. Registrations that do not meet this requirement will be rejected during the verification stage.
- (b) In order to pre-register participation, shareholders are requested to complete the online pre-registration form available at <https://www.dialog.lk/shareholder-notification> on or before 4:00PM on 4 June 2026.
- (c) If your shares are held in joint names, please register both names. However, you only need to enter one email address.
- (d) Upon verification of the registration details, an email of confirmation will be sent to the shareholders followed by an email with the login information closer to the AGM.

Please note that the login information is authorised only for use by shareholders or their duly appointed proxy. The Company shall not be responsible or liable for misuse and / or unauthorised use of the login information.

APPOINTMENT OF PROXIES

- (a) A shareholder entitled, as set out above, to participate and vote at the meeting but is unable to do so, is entitled to appoint a proxy to virtually participate and vote at the AGM instead of him/her in the manner provided for by completing the Form of Proxy enclosed herewith.
- (b) Shareholders who are unable to participate also have the option of submitting a duly completed Form of Proxy (which, in particular, clearly indicates such shareholder's vote in respect of each of the matters set out in the Form of Proxy), appointing the Chairman of the meeting or any one of the Directors of the Company to participate and vote on their behalf such that each shareholder's vote may be identified and recorded as if such shareholder were present at the meeting.
- (c) In order to be valid, the Form of Proxy must be duly completed and forwarded to the Group Company Secretary via post to Dialog Axiata PLC, No. 475, Union Place, Colombo 2 and must be received not later than 48 hours before the time appointed for holding the meeting, i.e. before 4:00PM on 9 June 2026.

ANNUAL REPORT 2025

The Annual Report 2025 has been published on the corporate website and may be accessed at <https://www.dialog.lk/shareholder-notification>.

If a shareholder wishes to receive a printed copy of the Annual Report 2025, please complete the Form of Request and forward it to the Group Company Secretary in accordance with the instructions given therein.

MEETING PROCEDURE & VOTING

- (a) Shareholders who are unable to participate at the virtual AGM may submit their suggestions/questions related to the AGM and the agenda, to the Group Company Secretary in writing on or before 4 June 2026 via agminfo@dialog.lk
- (b) The procedure on the conduct of the meeting and voting will be explained to shareholders prior to the commencement of the meeting.

FURTHER INFORMATION

For more information, shareholders can refer to the FAQs on our corporate website at <https://www.dialog.lk/shareholder-notification> or contact Ms. Divya Ranaraj on +94 773 908 929 during working hours.

THANK YOU

Form of Proxy

I/We (name of shareholder/s)
 (Holder of NIC/Passport/Company Registration No./s)
 of (address of shareholder/s)
 being a shareholder/s of **Dialog Axiata PLC**, hereby appoint:

(please indicate your preference with a)

Name of proxy holder :
 NIC/Passport No of proxy holder :
 Address of proxy holder :
 Email address of proxy holder :
 Mobile number of proxy holder :

OR failing him/her

Mr. David Nai Pek Lau or failing him, Mr. Supun Weerasinghe or failing him, Dr. Sharmini Coorey or failing her, Mr. Thomas Hundt or failing him, Ms. Komathi Balakrishnan or failing her, Mr. Vish Govindasamy or failing him, Mr. Randeep Singh Sekhon or failing him, Mr. Vivek Sood or failing him, Mr. Arjuna Herath.

as my/our proxy to participate and vote on my/our behalf in accordance with the preference as indicated below at the Twenty Ninth Annual General Meeting of the Company to be held by virtual means on 11 June 2026 at 4.00PM (IST – India Standard time) and at any adjournment thereof, and at every poll which may be taken in consequence thereof.

RESOLUTIONS	FOR	AGAINST
To declare a final dividend of LKR 1.50 per share for the financial year ended 31 December 2025, as recommended by the Board of Directors.		
To re-elect as a Director, Ms. Komathi Balakrishnan, who retires by rotation pursuant to Article 102 of the Articles of Association of the Company.		
To re-elect as a Director, Mr. Thomas Hundt, who retires by rotation pursuant to Article 102 of the Articles of Association of the Company.		
To re-elect as a Director, Mr. Arjuna Herath, who was appointed to the Board since the last Annual General Meeting pursuant to Article 109 of the Articles of Association of the Company.		
To appoint as a Director Mr. David Nai Pek Lau who is 73 years of age, in terms of Section 211 of the Companies Act No. 7 of 2007 and that the age limitation under Section 210 of the Companies Act No. 7 of 2007 shall not apply to Mr. David Nai Pek Lau.		
To re-appoint Messrs. Deloitte Partners, Chartered Accountants, as Auditors to the Company and to authorise the Directors to determine their remuneration.		
To authorise the Directors to determine and make donations.		

(Please indicate with a 'X' in the space provided how your proxy is to vote on each resolution. If you do not do so, the proxy will vote or abstain from voting at his discretion.)

Signature(s) of Shareholder(s)	Contact No. of Shareholder/s	Email Address of Shareholder/s	Date

NOTE:

Instructions as to completion of the Form of Proxy are on the reverse hereof.

Notes and Instructions as to completion of Form of Proxy

1. A shareholder entitled to participate and vote at the virtual meeting but is unable to do so, can appoint not more than one proxy to virtually participate and vote at the AGM instead of him/her, by completing the Form of Proxy. Shareholders who are unable to participate in the above meeting are encouraged to appoint the Chairman of the Meeting to participate and vote on their behalf.
2. Please complete the Form of Proxy by filling in legibly, your full name, address and contact number and the full name, NIC number, address, contact number and email of the proxyholder and thereafter date and sign in the space provided.
3. In order to be valid, the Form of Proxy must be duly completed and forwarded to the Group Company Secretary via post to Dialog Axiata PLC, No. 475, Union Place, Colombo 2 and must be received not later than 48 hours before the time appointed for holding the meeting, i.e. before 4.00PM on 9 June 2026.
4. If the Form of Proxy is signed by an Attorney, the relevant Power of Attorney should accompany the completed Form of Proxy for registration, if such Power of Attorney has not already been registered with the Company.
5. If the appointer is a Company or Corporation, the Form of Proxy should be executed under its Common Seal or by a duly authorised officer of the Company or Corporation in accordance with its Articles of Association or Constitution.
6. The Form of Proxy should only be used for the purpose of appointing a proxy to participate and vote on your behalf at the meeting in the event you are unable to participate at the meeting and should not be used to confirm participation at the AGM. If you wish to participate at the meeting via the designated online meeting platform, you must pre-register your participation by completing the online pre-registration form at <https://www.dialog.lk/shareholder-notification>.
7. If a shareholder has submitted a Form of Proxy prior to the meeting and subsequently decides to participate at the meeting him/herself, he/she should take immediate steps to revoke the appointment of proxy.

Corporate Information

Name of Company

Dialog Axiata PLC

Company Registration No.

PQ 38

Registered Address

475, Union Place
Colombo 02
Sri Lanka
Telephone: +94 777 678 700
Website: www.dialog.lk

Legal Form

A public quoted company with limited liability. Incorporated as a private limited liability company on 27th August 1993 and subsequently converted to a public limited liability company on 26th May 2005. Listed on the Colombo Stock Exchange in July 2005.

Stock Exchange Listing

The Ordinary Shares of the Company are listed on the Colombo Stock Exchange of Sri Lanka.

Board of Directors

Mr. David Nai Pek Lau - Chairman
Mr. Supun Weerasinghe - Group Chief Executive
Ms. Komathi Balakrishnan
Mr. Randeep Singh Sekhon
Dr. Sharmini Coorey
Mr. Thomas Hundt
Mr. Vish Govindasamy
Mr. Vivek Sood
Mr. Willem Timmermans – Resigned with effect from 30 April 2026
Mr. Arjuna Herath – Appointed with effect from 1 May 2026

Group Company Secretary

Ms. Viranthi Attygalle

Auditors

Messrs. Deloitte Partners
Chartered Accountants
100, Braybrooke Place
Colombo 02
Sri Lanka

Registrars

SSP Corporate Services (Private) Limited
No. 101, Inner Flower Road,
Colombo 03
Sri Lanka.
Telephone: +94 112 573 894
Email: sspsec@sltnet.lk

Contact for Investor Relations

Group Investor Relations
Telephone: +94 777 332 052
E-mail: ir@dialog.lk

Contact for Media

Group Corporate Communications
Telephone: +94 773 332 222
E-mail:
corporate.communications@dialog.lk

Subsidiary and Associate Companies

(All incorporated and operating in Sri Lanka) -
As of 29 April 2026

1. Dialog Broadband Networks (Pvt) Ltd – 100%
 - Telecard (Pvt) Ltd – 100%
 - H One (Pvt) Ltd – 100%
 - Digital Realty (Pvt) Ltd – 35%
2. Dialog Television (Pvt) Ltd – 100%
 - Communiq Broadband Network (Pvt) Ltd – 100%

3. Digital Holdings Lanka (Pvt) Ltd – 100%
 - Digital Commerce Lanka (Pvt) Ltd (together with Dialog Axiata PLC) – 100%
 - Headstart (Pvt) Ltd (together with Dialog Axiata Digital Innovation Fund (Pvt) Ltd) – 100%
 - Digital Health (Pvt) Ltd (together with Dialog Axiata Digital Innovation Fund (Pvt) Ltd) – 57.69%
 - My Health Solutions (Pvt) Ltd: 100%
 - Dialog Axiata Digital Innovation Fund (Pvt) Ltd - Ordinary Shares – 25% and Preference Shares – 94.23%
 - Roar Media (Private) Limited: 23.03%
 - InsureMe Insurance Brokers (Private) Limited: 26%
 - Digital Health (Private) Limited: 47.57%
 - Ifinity (Private) Limited: 10%
 - Scybers (Private) Limited: 4.5%
 - Iconic Devices (Private) Limited: 15%
4. Dialog Device Trading (Pvt) Ltd – 100%
5. Dialog Business Services (Pvt) Ltd – 100%
6. Dialog Finance PLC – 99.05%
7. Dialog Network Services (Pvt) Ltd – 100%
8. Firstsource-Dialog Solutions (Pvt) Ltd – 26%

Designed & produced by



Digital Plates & Printing by Softwave Printing and Packaging (Pvt) Ltd



www.dialog.lk