Dialog

Earnings Call – Q1 2026

Dialog Axiata PLC

18 May 2026

Dialog Axiata Group Performance

Dialog Axiata PLC - Company Performance

Subsidiary Performance – Dialog Broadband and Dialog TV

DIALOG GROUP PERFORMANCE HIGHLIGHTS – Q1 2026

Dialog's Growth Momentum Continues…

	QoQ	YoY
Revenue Q1 26 – Rs 47.3Bn	+2%	+9%
EBITDA Q1 26 – Rs 24.3Bn	+5%	+23%
PATAMI Q1 26 – Rs 9.2Bn	+56%	+>100%
PATAMI (Norm) [1] Q1 26 – Rs 9.2Bn	*+48%*	*+>100%*

[1] Normalised for Forex Gain

Capex Directed to Address Growing Demand for Data & Digitisation Initiatives

PoP Coverage

Mobile 4G	98%
Fixed 4G	74%

Q1 2026 Capex Spend

Rs 5.5Bn

Capex Intensity

12%

All Key Business Segments Delivered Strong Performance

Mobile – Data Growth Continues up 19% YoY

TV – Revenue Recorded 28% Growth YoY

Fixed – Revenue recorded 12% growth YoY

Strong Subscriber Base via Improved Churn Management

Mobile – Subscriber base at 18.9Mn

TV – Maintained over 1.6Mn Households by end-March 2026

Fixed – Home BB Sub Base Maintained

Non-financial Highlights

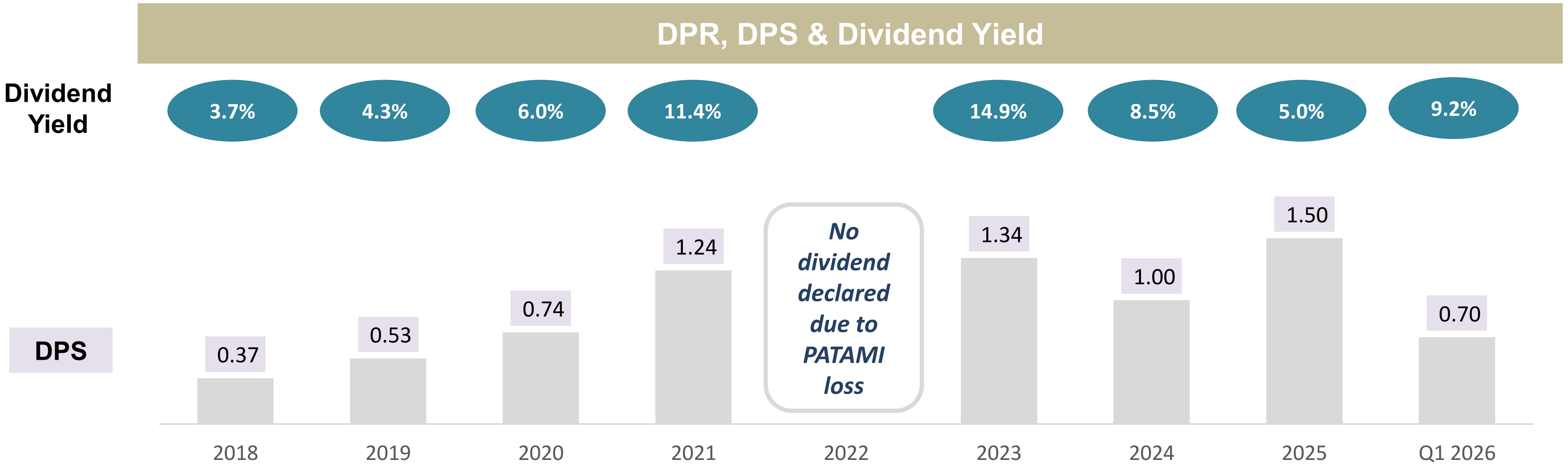
1. **Accelerated 5G Rollout** - Dialog surpassed 1,000 5G Sites, strengthening nationwide 5G coverage and solidifying its market leadership. The milestone reflects Dialog's continued progress ahead of rollout commitments set by the Telecommunications Regulatory Commission of Sri Lanka (TRCSL)
2. **Accolades and Awards** – Dialog was recognized as the 2026 SLIM Kantar People's Awards 'Service Brand of the Year' for the 5th time and 'Telecommunication Brand of the Year' for the 15th consecutive year.

QUARTERLY DIVIDEND

Proposed Q1 2026 Dividend Per Share of Rs 0.70; Annualized Dividend Yield of 9.2%

Dialog

- The Board of Directors of Dialog Axiata PLC approved a quarterly cash dividend to ordinary shareholders of Rs 0.70 per share totaling an outflow of Rs 6.4Bn
- **Dividend on per share basis of Rs 0.70 for Q1 2026 was declared;**
  - ✓ Considering investment requirements to serve the nation’s demand for Mobile, Fixed, Broadband and Digital Television services
    - ✓ **Annualized Dividend yield of 9.2%** based on a closing share price of **Rs 30.3 as of 31st March 2026**
- No Withholding Tax for foreign shareholders
- The dates of the AGM and the dividend payment will be notified in due course



ESG Performance for Q1 2026

Energy Consumption

Energy	Q1 '25	Q1 '26	Change
Total (GJ)	134,678	213,931	+59%
Grid Energy (%)	95.2	92.9	-2.3%
Renewable Energy (%)	2.38	2.58	+0.2%

Network Traffic (GB Mn's)

Q1 '25	Q1 '26	Change
696	838	+20%

Average Download Speeds (Mbps)

	Q1 '25	Q1 '26	Change
Mobile	14.5	14.9	+2.3%
Fixed	8.6	8.2	-5.3%

Data Breaches and Regulatory Actions over Data Protection

Q1 '25	Q1 '26	Change
0	0	0%

Diversity

BOD Gender and Nationality Diversity	
Male	78%
Female	22%

Network Availability and Core Network Downtime

Availability	Q1 '25	Q1 '26	Change
Total Network	99.8%	99.9%	+0.1%
Core Network Downtime	0	0	0

% of Gender Based Employment Representation

Employees	Q1 '25	Q1 '26	Change
Male	76%	75%	-1%
Female	24%	25%	+1%

Monetary Losses

Q1 '25	Q1 '26	Change
0	0	0%

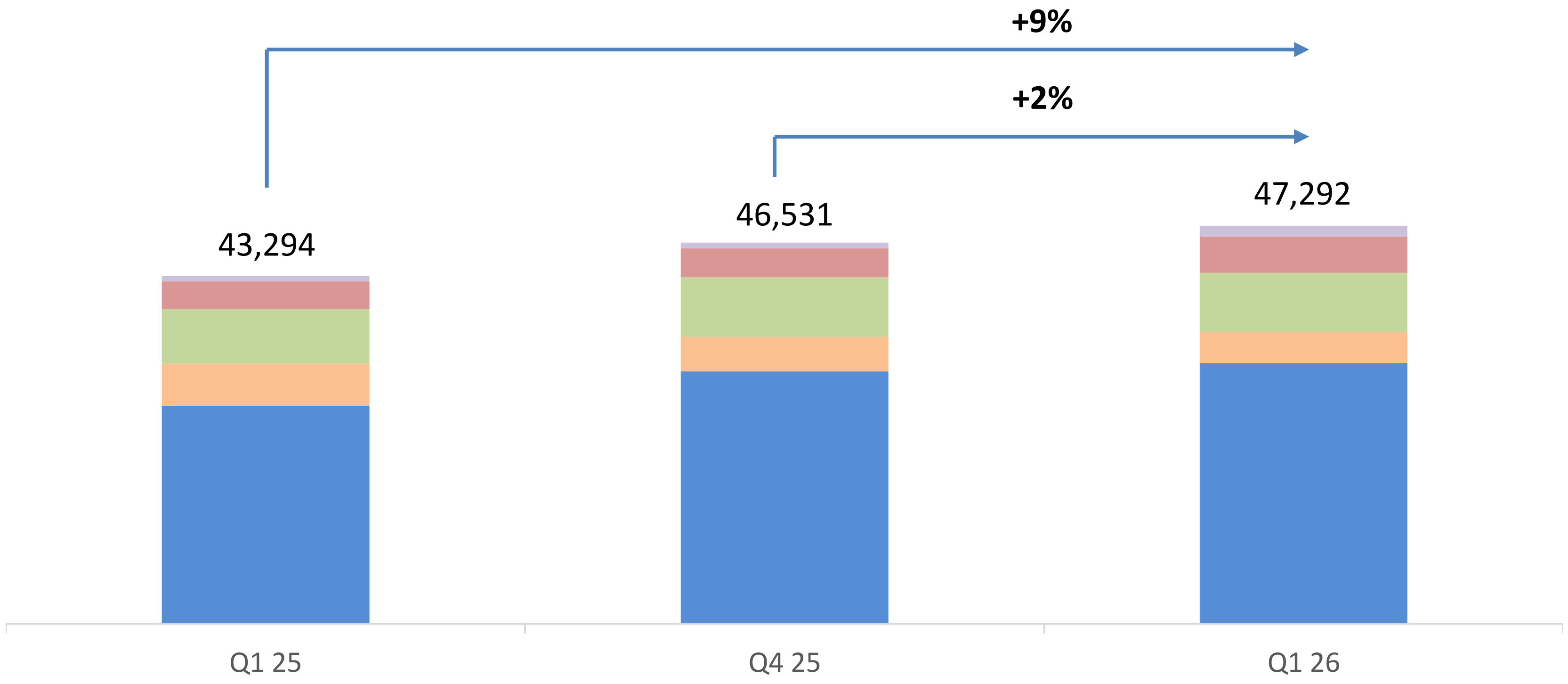
Market Consolidation and Transformation Yielding Results

Rs Mn	Q1 26	QoQ	YoY
Revenue	47,292	+2%	+9%
EBITDA	24,256	+5%	+23%
PATAMI	9,186	+56%	+>100%
Operating Free Cash (OFCF)	14,587	+32%	+8%
EBITDA Margin	*51.3%*	*+1.8pp*	*+5.8pp*
PATAMI Margin	19.4%	*+6.8pp*	*+9.9pp*
ROIC	*27.9%*	*+8.1pp*	*+11.8pp*
Normalized for Forex			
PATAMI [1]	9,197	+48%	+>100%

[1] Norm for forex gain/loss

Growth Across Key Business Lines

Group Revenue YoY Growth Primarily Driven by Mobile and DTV



	Mobile	International	Fixed	Television	Tele Infra
QoQ	+1%	-11%	-1%	+25%	+0%
YoY	+16%	-26%	+9%	+28%	+3%

- **Mobile Revenue** growth driven by increased Voice and Data usage
- **Fixed Business Revenue** grew by 9% YoY supported by growth in Home Broadband Revenue
- **Television Revenue** recorded strong growth driven by advertising revenue from ICC events
- **International Revenue** recorded a decline due to planned scaling down of low margin International Wholesale Business

Total Cost to Revenue Ratio Down by 5.8PP YoY Driven by Cost Rescaling Initiatives

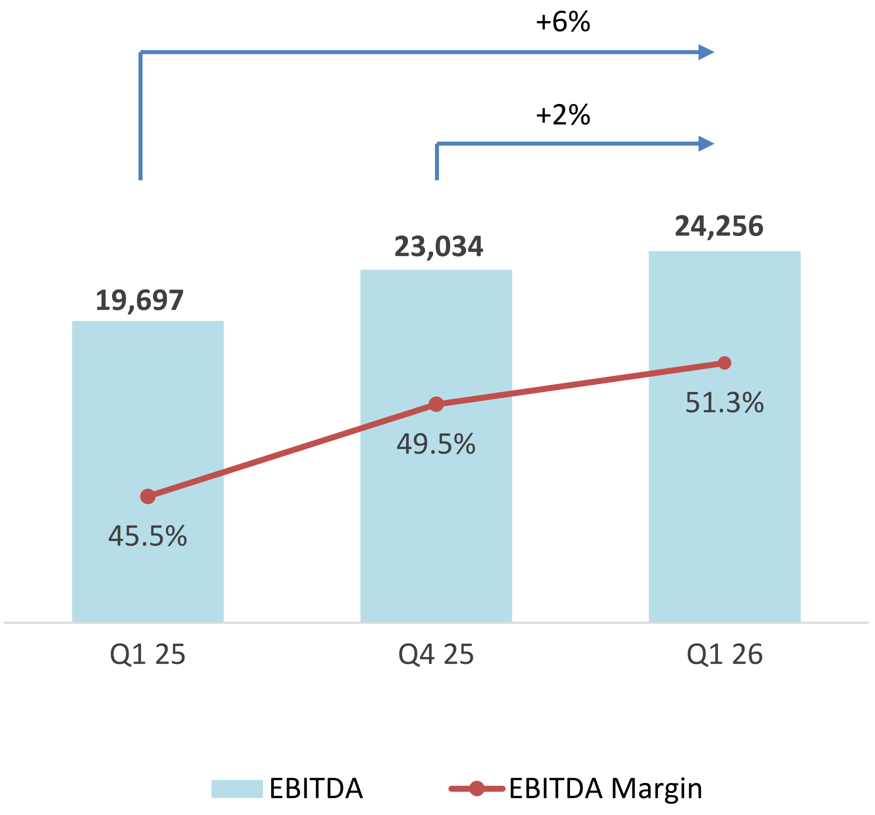
	Q1 26	As % of revenue	Q4 25	As % of revenue	Q1 25	As % of revenue	QoQ	YoY
Total Cost	**Rs 23,032Mn**	**48.7%**	**Rs 23,494Mn**	**50.5%**	**Rs 23,597Mn**	**54.5%**	**-1.8pp**	**-5.8pp**
Direct Expenses		12.4%		11.4%		15.2%	**1.1pp**	**-2.8pp**
Sales & Marketing		8.5%		8.0%		9.1%	**0.5pp**	**-0.6pp**
Network Cost		12.8%		13.5%		14.2%	**-0.7pp**	**-1.5pp**
Staff Cost		8.4%		9.5%		9.1%	**-1.1pp**	**-0.7pp**
Overheads		6.6%		8.1%		6.8%	**-0.8pp**	**-0.1pp**

GROUP EBITDA AND PATAMI

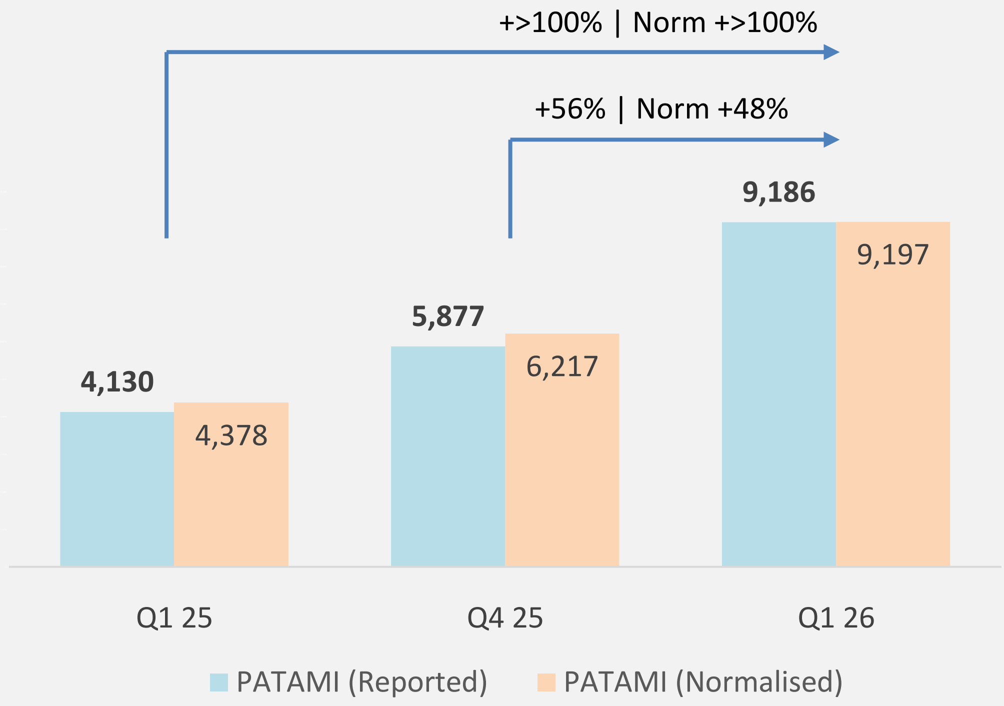
Margins Expand as EBITDA increased by 23% YoY

(Rs Mn)

EBITDA Increase Underpinned by Growth in Revenue and Cost Optimizations



PATAMI Growth Supported by Strong EBITDA Flowthrough, Lower NFC and Minimal Forex Impact

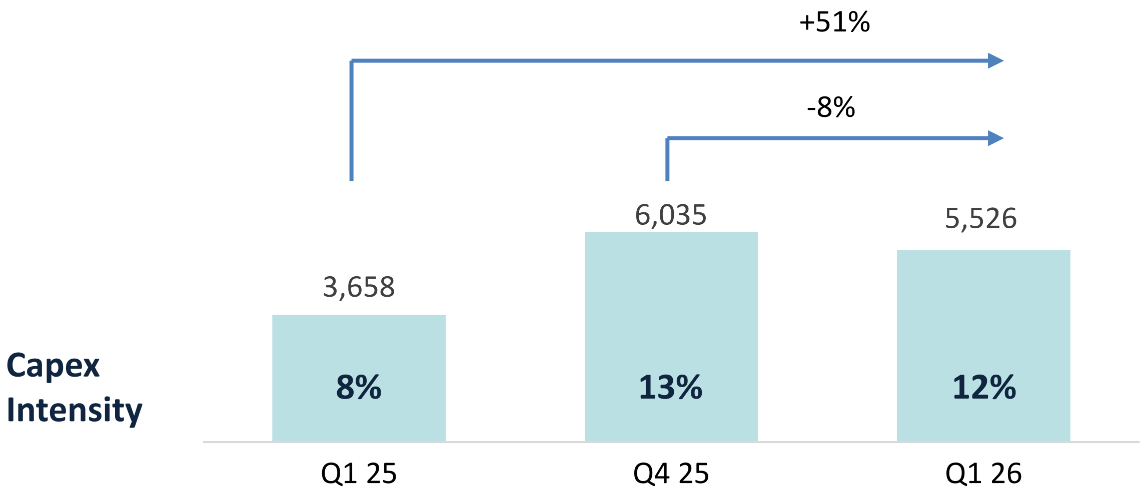


	Q1 25	Q4 25	Q1 26
Forex Gain/(Loss)	(247)	(340)	(11)

Capex Investments Up 51% YoY ; Tax Paid to GOSL up 8% YoY

(Rs Mn)

Capex Investments Directed Towards 5G Infrastructure Upgrades



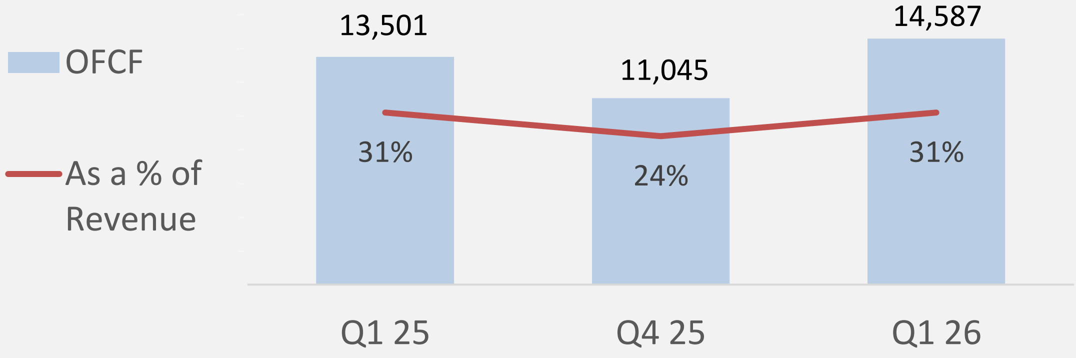
Capex Intensity at 12% for Q1 2026

Capital expenditure of Rs 5.5Bn for Q1 2026 directed mainly towards investments in 5G infrastructure to support Mobile and Fixed Data Leadership

Investment in Infrastructure mainly included:

- 5G site and equipment upgrades
- Mobile Network coverage expansion
- Fiber cable upgrades and modernization

OFCF at Rs 14.6Bn - up 8% YoY



Contribution to GoSL Revenue Up 8% YoY

GoSL Taxes / Payments (Rs Mn)	Q1 2025	Q1 2026	YoY
Direct Taxes, Fees & Levies	4,451	5,052	13%
Consumption Taxes collected on behalf of GoSL	10,340	10,924	6%
Total	**14,791**	**15,975**	**8%**

Strong and Resilient Balance Sheet Position with Minimized Forex Exposure

(Rs Mn)	Mar 26	Dec 25	Dec 24
Gross Debt	58,620	73,785	99,303
Average Interest Cost*	*8.7%*	*8.8%*	*9.5%*
USD denominated debt (in Mn)	***15.1***	***18.1***	***128.7***
USD denominated Cash (in Mn)	***35.6***	***32.5***	***82.4***
USD Net Exposure	***1.3***	***10.5***	***65.6***
Cash and Cash Equivalents	18,940	19,050	33,786
Net Debt	39,680	54,734	74,066
Gross Debt / Equity (x)	*0.59*	*0.82*	*1.29*
Gross Debt/ EBITDA (x)	*0.60*	*0.86*	*1.50*
Net Debt/ EBITDA (x)	*0.41*	*0.64*	*1.12*

*excludes USD debt

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Subsidiary Performance – Dialog Broadband and Dialog TV

Q1 2026 – Foundation Laid for Yet Another "Remarkable" Year

Record-breaking results through **disciplined execution, strategic focus** and **resilient planning** to navigate growth

- ✅ **Highest Ever Absolute Revenue**
- ✅ **Highest Ever Absolute EBITDA**
- ✅ **Highest Ever Absolute NPAT**
- ✅ **Highest Ever Absolute FCF**
- ✅ **Highest Ever Market Cap (LKR)**

Peak Revenue – All LOB

- **Mobile : YoY +12%**
- **Home : YoY +9%**
- **DTV : YoY +29%**
- **SME : YoY +31%**
- **Tourism : YoY +40%**
- **Advert. : YoY >400%**

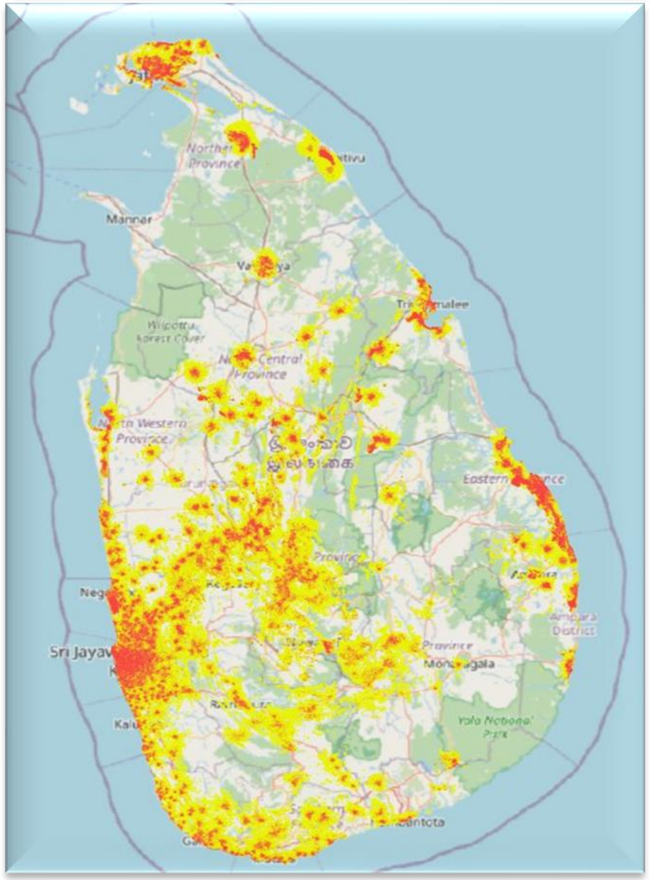
Base & ARPU Trends

- **Mobile: Base ↑ +3% YoY; ARPU ↑ Double Digit YoY**
- **Home : Base ↑ +1% YoY; ARPU ↑ Double Digit YoY**
- **DTV : Base ↑ +2% YoY; ARPU ↑ High Single Digit YoY**

Performance vs Peers

- **Market Cap: 5.7x Growth**
- **Distribution: 1.3x Coverage**
- **Acquisition Efficiency: Retention ↑ Cost ↓**
- **Cx Experience: rNPS ↑ 10ppt** *(versus next best)*
- **Launched Virtual Debit Card**

5G Coverage



Operational Excellence

- **Further Reduction in Acquisition Cost** *(-35% YoY)*
- **Lowest Ever Call Volume per Cx & Net Churn**
- **Highest Digital Adoption** (32%)
- **Seamless CBS Migration**

Financial Resilience

- **Balance Sheet Health: Net Debt/EBITDA <0.5X**
- **Net USD Exposure: US$1.3Mn** *(-99.5% vs '22)*;
- **ROIC > WACC**

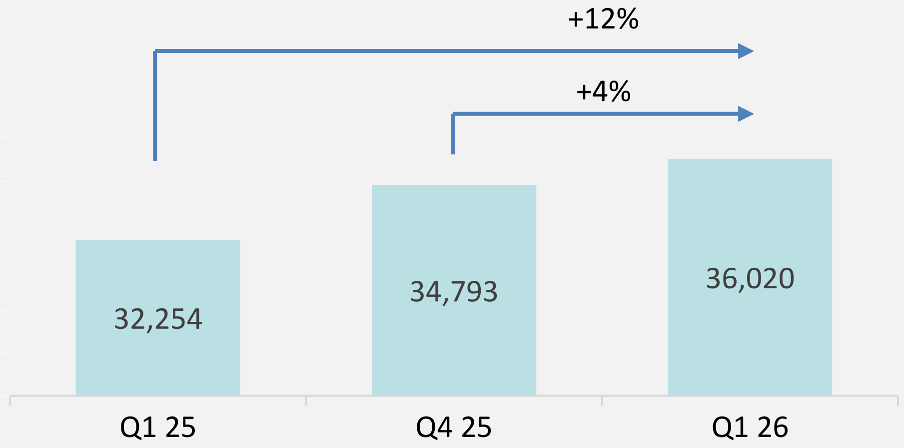
Largest 5G Network

- **+1,000 5G Sites**
- **32% Population Coverage**
- **5G ARPU Improvement**
- **Traffic Offload for Better 4G Experience & Spectral Efficiency** *(Capex Productivity)*

Improved Market Structure Continue to Yield Growth

(Rs Mn)

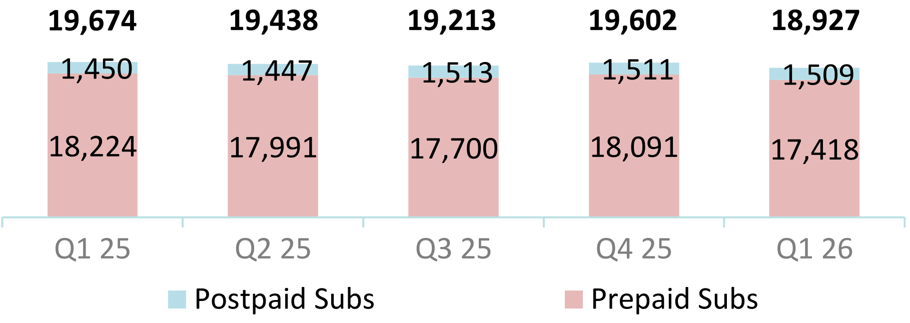
Revenue Recorded Positive Growth Driven by Data and Voice, Supported by Yield Correction and Higher Usage



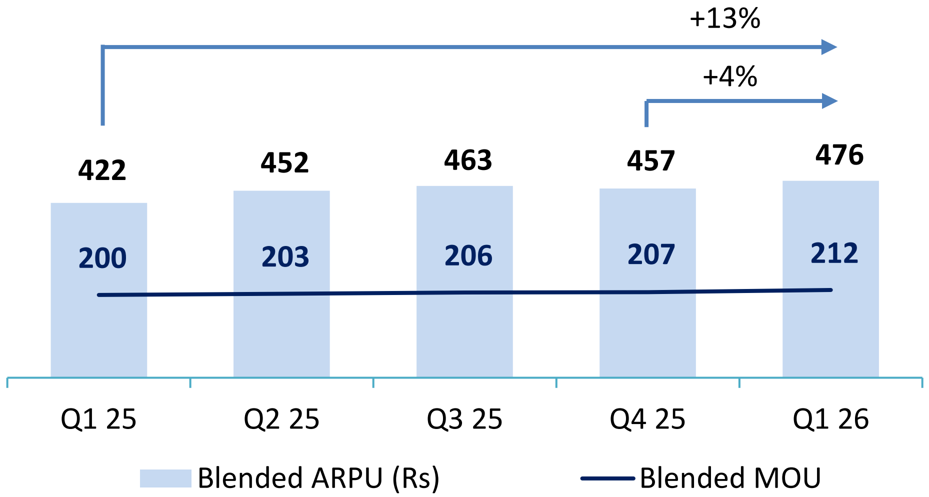
Subscriber Base Down 4% YoY in Q1 2026 as Deferred Number Recycling Resumed Post Ditwah-Related Suspension – RGB is up +0.6% QoQ

(In '000)

Total subs growth -3% QoQ; -4% YoY
Postpaid subs growth 0% QoQ; +4% YoY
Prepaid subs growth -4% QoQ; -4% YoY



ARPU Rises in Q1 2026 Supported by Higher Data/Voice Usage



YoY Profitability Improvement Driven by Strong Revenue Growth & Cost Control

(Rs Mn)	**Q1 2026**	**QoQ**	**YoY**
EBITDA	18,230	+7%	+29%
EBIT	10,078	+19%	+65%
NPAT	7,592	+83%	+>100%
EBITDA Margin %	*+50.6%*	*+1.7pp*	*+6.7pp*
EBIT Margin %	*+28.0%*	*+3.7pp*	*+9.0pp*
NPAT Margin %	*+21.1%*	*+9.2pp*	*+12.2pp*

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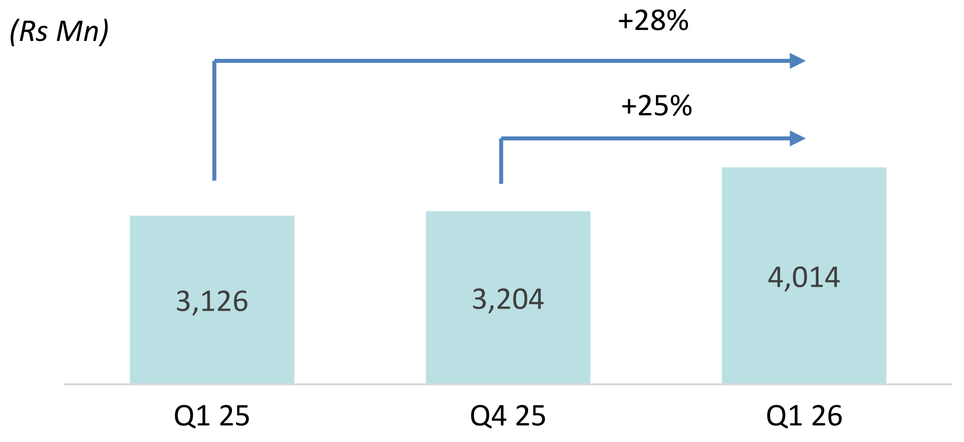
NPAT Reaching Breakeven Supported by Strong Advertising Revenue

Revenue Growth Driven by Boost in Advertising Revenue from Sporting Events such as ICC T20 World Cup



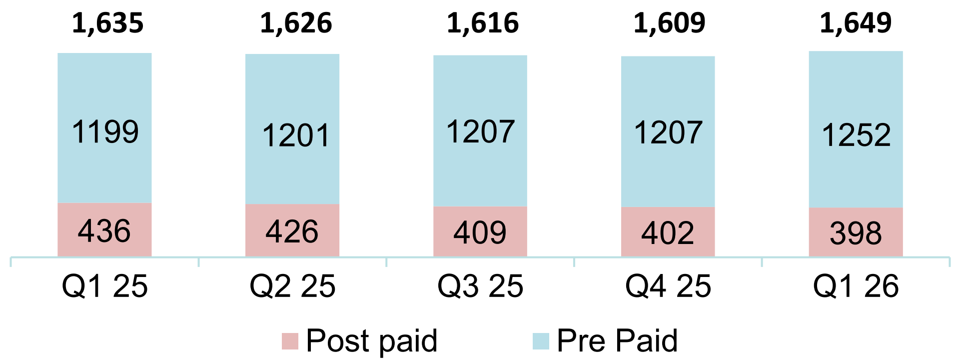
Subscriber Base Grew in Q1 2026

(in '000s)

Total Subs growth +3% QoQ; +1% YoY

Postpaid Subs growth -1% QoQ; -9% YoY

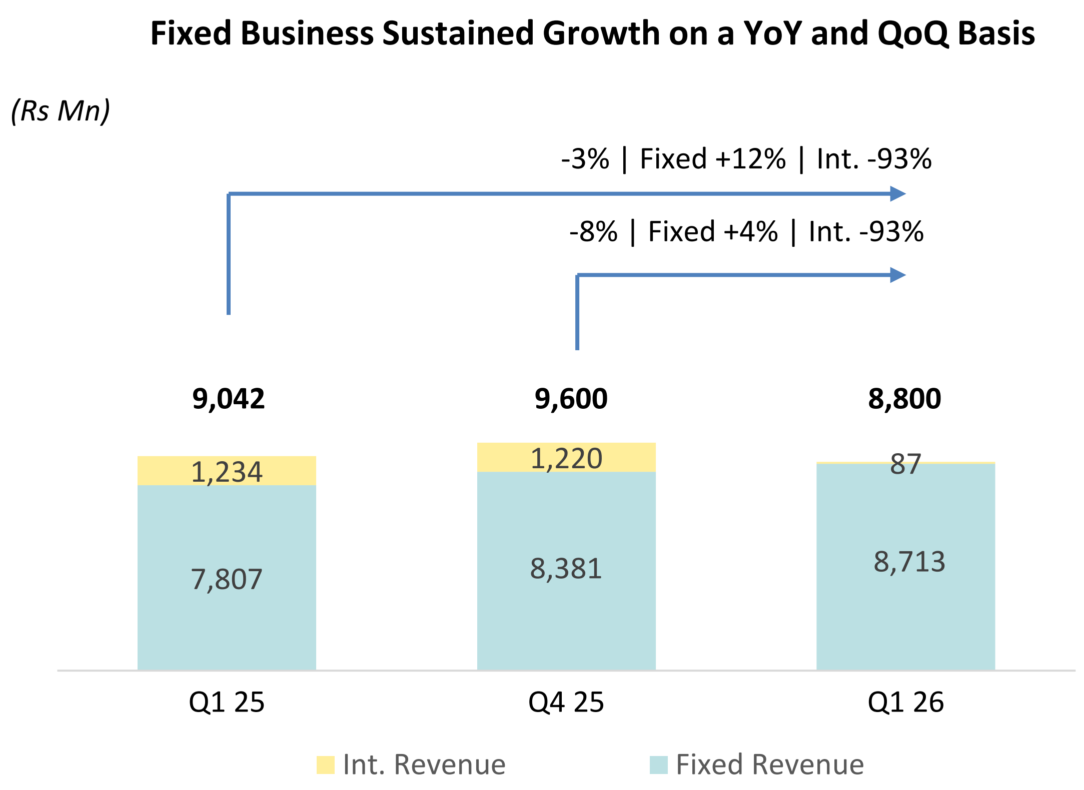
Prepaid Subs growth +4% QoQ; +4% YoY



Profitability Improvement Driven by Revenue Growth

(Rs Mn)	Q1 2026	QoQ	YoY
EBITDA	826	+13%	+74%
NPAT	(3)	+98%	+99%
EBITDA Margin %	*+20.6%*	*-2.2pp*	*+5.4pp*
NPAT Margin %	*-0.1%*	*+4.2pp*	*+11.7pp*

Margin Expansion Supported by Scaling down of Hubbing Business



Margin Expansion due to Continued Scale Down on Low Margin International Wholesale Business; NPAT Movement due to Seasonality & Maiden Quarter of Tax Incurrence

(Rs Mn)	**Q1 2026**	**QoQ**	**YoY**
EBITDA	5,298	-1%	+6%
NPAT	1,793	-6%	+10%
EBITDA Margin %	*+60.2%*	*+4.6pp*	*+5.0pp*
NPAT Margin %	*+20.4%*	*+0.4pp*	*+2.4pp*

Thank you

For further information

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