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Axiata reports RM403 million YTD profit, further strengthens balance sheet

Results underpinned by strong operational performance

- The Group delivered RM403.3 million in YTD profit, driven by strong operational performance and continued execution of strategy.
- Underlying PATAMI rose 19.7% YoY to RM378.0 million, supported by higher EBIT and lower net finance costs.
- Net debt/EBITDA strengthened to 2.6x following RM1.9 billion in debt repayments.
- Operating free cash flow after leases increased to RM1.5 billion, reflecting strong cash discipline.
- Monetisation of infrastructure assets progressing as planned.
- The Group received RM1.2 billion in YTD dividends from all operating companies.

Key Highlights for 3Q25¹: Effective execution of Axiata's 5*5 Strategy

Synergies delivery in CelcomDigi

- **CelcomDigi sustains revenue growth with steady integration progress.** CelcomDigi continued to deliver steady progress in revenue growth and improved cost management despite higher charges related to traffic growth, recording YoY revenue growth of 1.1% driven by prepaid and enterprise segments. It remains on track to achieve steady-state savings of RM700 to RM800 million from 2028. The company announced an interim dividend of 3.6 sen per share for 3Q25.

Structural Transformation in Indonesia

- **Integration progress at XLSMART is on plan and on track to deliver USD150-200 million in synergies in 2025.** The company posted strong revenue growth of 20.5% YoY and 9.2% QoQ, supported by higher ARPU and expanded subscriber base following the merger, above XL's standalone scale in 2024.

Building Business Resilience in Frontier Markets

- **Robi's cost efficiencies sustain profit.** Persistent macroeconomic challenges in Bangladesh impacted revenue, which led to a 2.5% YoY decline. However, robust cost efficiency measures sustained EBITDA, while EBIT improved from reduced D&A. YTD PATAMI surged 55.2% to BDT6.3 billion, supported by lower finance costs from USD loan repayments and reduced forex losses.
- **Dialog's performance lifted by higher ARPU and merger synergies.** YTD revenue grew 6.2%, supported by an increase in the mobile segment, comprising 19% organic growth from yield correction measures and an additional 16% from the Airtel consolidation, despite scaling down its hubbing business. EBITDA rose 40.0%, underpinned by revenue

¹Discussion of 3Q25 performance is based on Combined Operations for the Group

growth, disciplined cost management and synergy capture, resulting in over 100% YoY growth in both EBIT and PATAMI.

- **Smart's prepaid and enterprise segments drove bottom line improvement.** Growth in prepaid ARPU and subscribers, combined with strong enterprise performance resulted in a 6.8% YoY increase in EBITDA. This was further supported by optimised sales and marketing spending and strategic savings from the backbone project.

Creating value realisation opportunities through infrastructure assets

- **EDOTCO delivered record EBITDA margin of 73.4%, supported by strong order book.** YTD revenue declined 8.3%, mainly due to forex impact from a strengthened ringgit and a one-off adjustment in 1H24. EBIT rebounded, supported by lower depreciation from extended tower life. PATAMI (excluding Myanmar disposal loss) improved on the back of lower finance costs following proactive steps to pare down debt.
- **Steady progress in FibreCo performance.** YTD results continue to mirror Linknet's transition toward a wholesale fibre model. On a QoQ basis, revenue grew 6.8%, mainly due to revenue adjustment in broadcasting services. However, EBITDA declined by 0.7% and EBIT fell 3.5%, mainly due to higher provision for impairment on receivables. The Group recorded a RM167 million impairment on Linknet goodwill due to intensifying competition in the fixed broadband market and lower subscriber uptake from XLSMART, its largest customer.

Illuminating the value of digital businesses

- **Boost's lending growth drives revenue momentum.** YTD revenue surged by 49.1%, fuelled by strong growth in the lending business through Boost Bank and consumer offerings. While EBITDA declined due to bank startup costs, lower non-bank costs helped cushion the impact, keeping PATAMI stable. Revenue continued to grow QoQ, supported by Boost Bank's strong performance with an expanding loan book.
- **ADA's profitability was strengthened by net revenue margins and cost optimisation.** YTD revenue dipped 1.2% YoY, but net revenue grew 9.1%, driven by margin improvements primarily in eCommerce solutions. EBITDA and EBIT strengthened, supported by lower manpower costs. PATAMI surged 63.9%, reflecting higher EBIT and further aided by reduced foreign exchange losses compared to the prior year, as the Ringgit appreciated against the US dollar at a milder pace.

KUALA LUMPUR, 27 NOVEMBER 2025 – Axiata Group Berhad (“Axiata” or “the Group”) today announced resilient financial performance for the third quarter ended 30 September 2025 (“3Q25”), recording RM403 million in year-to-date (“YTD”) profit and reinforcing its commitment to sustainable growth through disciplined execution of its Axiata 5*5 Strategy.

The Group strengthened its financial position by disciplined debt reduction and improved cashflows. During the quarter, the Group reduced Holding Company (“HoldCo”) debt by 8.9% quarter-on-quarter (“QoQ”) to RM7.2 billion via proactive liability management with the partial redemption of Euro Medium Term Notes (“EMTN”).

Further actions by EDOTCO, Dialog, and Robi reinforced Axiata's balance sheet. EDOTCO supported deleveraging with RM611 million in debt repayment, while Dialog and Robi reduced USD exposure in 3Q25. Improved cash generation across operating companies further enhanced liquidity.

Operating free cash flow after lease payments totalled RM1.5 billion, underscoring the Group's strong cash discipline. These actions collectively lowered net debt/Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") to 2.6x, positioning Axiata firmly on track to achieve its 2.5x target by end-2026 and reinforcing its balance sheet resilience.

The Group's third-quarter performance was driven by the following operational highlights:

- **Synergy Realisation from Jointly Controlled Entities:** XLSMART's subscriber base surged 40% post-merger, with network integration and modernisation progressing as planned and on track to deliver USD150-200 million merger synergies this year. CelcomDigi sustained revenue growth and profitability, delivering nearly RM1.8 billion in net synergies to date.
- **Strong Profit and Cashflow Growth delivered by Frontier Markets:** Dialog, Robi and Smart delivered strong profitability, supported by positive organic trends and resilient balance sheets across key markets. Despite macroeconomic pressures in Bangladesh, Robi sustained EBITDA and Earnings Before Interest and Tax ("EBIT") through disciplined cost efficiency and debt reduction. Dialog's performance rebounded strongly, driven by average revenue per user ("ARPU") enhancements and Airtel merger synergies. Mobile revenue growth and disciplined cost management drove strong profit growth of over 100%. Smart posted continued growth in prepaid ARPU and subscribers alongside a strong enterprise segment. Strategic cost savings further supported its bottom-line improvement.
- **Value Illumination of Infrastructure Business:** EDOTCO delivered a strong performance with a record EBITDA margin of 73.4%, despite revenue headwinds impacted by forex translation and a one-off in 1H24. Strong growth in the Philippines and Pakistan underscored market momentum.
- **Driving Performance in Digital Businesses:** ADA achieved RM34.9 million Profit After Tax and Minority Interest ("PATAMI") YTD, marking its sixth consecutive year of profitability. Boost continued to scale its lending business through Boost Bank, expanding its loan book, narrowing non-bank losses, and remaining on track to achieve EBITDA break-even by end-2025.
- **Disciplined balance sheet optimisation.** During the quarter, Dialog and Robi reduced net debt/EBITDA to 0.9x, reflecting robust deleveraging in frontier markets. EDOTCO repaid RM611.4 million in debt, supported by proceeds from asset monetisation and internal funds. At HoldCo level, partial redemption of EMTN notes reduced debt to RM7.2 billion.

Axiata received robust shareholder returns with RM1.2 billion in YTD dividends upstreamed from its operating companies. The Group's jointly controlled entities CelcomDigi and XLSMART contributed RM606 million, while frontier market operators Dialog, Robi and Smart collectively delivered RM548 million, supported by strong cashflow growth.

The fixed broadband business in Indonesia's remains challenging, reflected in Linknet's underperformance and the resulting RM167 million goodwill impairment in Q325.

Axiata's 3Q25 results demonstrates performance broadly in line with its headline KPIs. The Group continues to anchor its performance on five strategic pillars outlined in its Axiata 5*5 Strategy, driving resilience and value creation across markets.

Commentaries

Tan Sri Shahril Ridza Ridzuan, Chairman of Axiata said, “Axiata’s performance this quarter reflects the strength of our strategy and the resilience of our portfolio across diverse markets. Our disciplined approach to capital management and operational efficiency continues to position the Group for sustainable growth. We remain committed to creating long-term value for our shareholders while navigating an evolving macroeconomic landscape.”

Vivek Sood, Group Chief Executive Officer and Managing Director of Axiata said, “Axiata has delivered a resilient third quarter in 2025 as we continued to execute our Axiata 5*5 Strategy, delivering improved earnings, strengthening our balance sheet, and creating long-term value for our customers and returns to our shareholders.”

“Our disciplined balance sheet optimisation has reduced net debt/EBITDA to 2.6x, reinforcing our financial resilience and positioning us well to achieve our 2026 targets. In our frontier markets, we saw strong profit and cashflow growth, reflecting the effectiveness of our operational strategies, resilient balance sheet and cost efficiencies. At XLSMART, merger synergies are ahead of schedule, and we are witnessing early signs of market repair. The monetisation of our infrastructure business is progressing as planned, while our digital businesses continue to build value.”

“Our operational strengths have resulted in Axiata, at the holding company level, receiving RM1.2 billion in dividends from our operating companies, underscoring strong operating performance and cashflows.”

“As we move forward, we remain focused on unlocking value, accelerating growth, and delivering sustainable performance for all our stakeholders.”

Appendix: Operating Company Performance Summary

Performance insights for each operating company are provided below.

Digital Telcos²

CelcomDigi sustains revenue growth with steady integration progress. CelcomDigi continued to deliver solid performance in the third quarter, recording YoY revenue growth primarily due to trends in the prepaid and enterprise segments. Profitability improved in line with operational efficiencies, and it remains on track to achieve steady-state savings of RM700 to RM800 million from 2028. The company announced an interim dividend of 3.6 sen per share for Q3 2025.

XLSMART on track to deliver synergies in 2025. The company posted robust revenue growth both of 20.5% YoY and 9.2% QoQ driven by higher ARPU and an expanded subscriber base following the merger, compared to XL as a standalone in 2024. While EBITDA and PATAMI, which dipped, reflect planned integration investments, these are positioning XLSMART for sustained profitability and long-term efficiency gains. XLSMART is on course to deliver USD150 to 200 million in synergies in 2025.

Robi outperforms market despite revenue pressure. Macroeconomic challenges in Bangladesh weighed on performance, with YTD revenue down 2.5%. Cost efficiency measures, sustained EBITDA, while EBIT benefited from lower depreciation and amortisation. YTD PATAMI surged 55.2% to BDT6.3 billion, supported by lower finance costs from USD loan repayments and reduced forex losses.

² Growth numbers for OpCos are based on results in local currency in respective operating markets

Dialog's mobile-led growth and merger integration synergies drive strong performance. YTD revenue grew 6.2%, driven by a robust 32% YoY increase in the Mobile segment comprising 19% organic growth from yield correction measures and an additional 16% from the Airtel consolidation. This is despite scaling down the hubbing business. EBITDA rose 40.0%, underpinned by disciplined cost management, translating into an over 100% YoY growth in both EBIT and PATAMI.

Smart: Prepaid and Enterprise Growth with Cost Efficiencies Support Profit After Tax Growth. YTD revenue increased 3.8% YoY, supported by continued growth in the Prepaid segment through higher ARPU and revenue generating businesses, alongside strong enterprise performance. EBITDA improved 6.8%, supported by strategic savings from the backbone project and optimised sales and marketing spending. QoQ, revenue grew 1.5% while EBITDA declined by 8.0%.

Infrastructure³

Linknet underperforms due to ServeCo carve-out and higher churn. On a QoQ basis, revenue grew 6.8%, mainly due to revenue adjustment in broadcasting services. However, EBITDA dipped 0.7% and EBIT fell 3.5%, mainly due to higher provision for impairment on receivables. Overall, PATAMI was flat at 0.2%.

EDOTCO shows resilience and EBIT recovery despite market challenges. Revenue declined by 8.3% while YTD EBIT rebounded by 16.9%, supported by lower depreciation from the extended useful life of towers. YTD PATAMI (excluding EDOTCO Myanmar disposal loss) improved by 7.1% on the back of lower finance costs.

Digital Businesses

Boost: Bank reports strong revenue growth. Boost delivered YTD revenue growth of 49.1%, driven by the expansion of its lending business through Boost Bank and consumer offerings. While EBITDA declined by 9.0%, lower non-bank costs cushioned the impact, keeping PATAMI stable with a slight 0.4% dip. Revenue continued to grow by 6.1% QoQ, supported by Boost Bank's strong performance with an expanding loan book. QoQ, EBITDA and EBIT improved by 41.7% and 31.9% respectively, supported by lower manpower costs.

ADA's profitability boosted by improved net revenue margins and cost optimisation. YTD revenue declined 1.2% YoY, while net revenue grew on the back of margin improvements primarily in eCommerce Solutions. EBITDA and EBIT strengthened by 35.5% and 52.8% respectively, supported by lower manpower costs. PATAMI surged 63.9%, driven by higher EBIT and further aided by reduced foreign exchange losses compared to the prior year, as the ringgit appreciated against the US dollar at a milder pace.

-Ends-

³ Growth numbers for infrastructure assets are based on results in local currency in respective operating markets



About Axiata

Axiata is a leading Converged Connectivity Group in Southeast and South Asia, strategically blending its digital telco operations with digital businesses and infrastructure. With two jointly controlled entities in Malaysia (CelcomDigi) and Indonesia (XLSMART), the Group holds controlling stakes in mobile and fixed operator companies in Sri Lanka (Dialog), Bangladesh (Robi), and Cambodia (Smart).

Axiata's regional digital business verticals comprise Boost, a fintech company, and ADA, a data and AI experience company. Linknet, its fibre broadband company based in Indonesia and EDOTCO, the sixth largest independent tower company operating across nine countries, complement Axiata's portfolio, ensuring robust connectivity and infrastructure support across the region.

Axiata, a committed long-term investor, empowers regional progress by championing innovative technology and bridging the digital divide. The Group actively supports young talent, communities, and climate initiatives, striving to unite the region's best in innovation and connectivity to foster a thriving, inclusive, and sustainable future across its markets. Find out more at www.axiata.com

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