celcomdigi

Advancing and Inspiring Society

Integrated Annual Report 2025





We Are **CelcomDigi**

The visuals in this report spotlight the people behind our organisation, fondly known as CDzens. Inspired by our customers, we relentlessly pursue customer excellence and innovation, making connectivity and digitalisation accessible to all of society, to build a brand Malaysians can trust and rely on in the age of 'digital-everything'.

Pictured on cover:

Marsya Ali, a Next Gen MarTech Specialist and part of CelcomDigi's Young Talent Programme, helped drive the launch of the new CelcomDigi App, enhancing how customers experience our digital services in a more seamless and personalised way.

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ABOUT THIS REPORT

We are pleased to present CelcomDigi Berhad's Integrated Annual Report (IAR) for the financial year 2025 prepared in accordance with the International Integrated Reporting (IR) Framework, along with other established reporting frameworks and disclosure requirements. This IAR serves as a communication to our stakeholders on how we utilise resources to manage risks and opportunities. The report covers all business activities of CelcomDigi in 2025, including information pertaining to our financial and non-financial strategic goals, and how we continue to create value for our brand, business, and stakeholders.

SCOPE AND REPORTING BOUNDARIES

The scope of this IAR covers the financial year from 1 January 2025 to 31 December 2025 (FY2025) unless otherwise stated, and encompasses all business operations of CelcomDigi Berhad ('CelcomDigi' or 'the Group'), including all our subsidiaries.

Sustainability and other non-financial performance disclosure are limited to wholly-owned subsidiaries of the Group.

No restatements were made unless otherwise stated.

REPORTING FRAMEWORK AND GUIDELINES

This IAR has been prepared with reference to the following established reporting frameworks and disclosure requirements:

- Bursa Malaysia Securities Berhad's (Bursa Malaysia) Main Market Listing Requirements (MMLR) Bursa Malaysia Corporate Governance Guide
- Companies Act 2016
- FTSE4Good Bursa Malaysia Index
- Global Reporting Initiative (GRI) Standards 2021
- GSMA ESG Metrics for Mobile
- IFRS Sustainability Disclosure Standards (ISSB Standards)
- International Financial Reporting Standards (IFRS)
- International Integrated Reporting <IR> Framework under the responsibility of the IFRS Foundation
- Malaysian Code on Corporate Governance 2021 (MCCG)
- Malaysian Financial Reporting Standards (MFRS)
- National Sustainability Reporting Framework (NSRF)
- Task Force on Climate-related Financial Disclosures (TCFD)
- The Statement on Risk Management and Internal Control (SORMIC) Guide 2025
- United Nations Sustainable Development Goals (UN SDGs)

MATERIALITY

We conducted a materiality assessment to identify sustainability-related risks and opportunities (SROs) that could reasonably impact our short-, medium-, and long-term prospects. It focused on information relevant to investors, lenders, and other creditors, consistent with IFRS S1 requirements. To provide a more complete view of our impacts, we enhanced our Materiality Matrix using a double materiality approach, assessing both financial materiality and impact materiality. This refinement enabled us to consolidate and update material matters to better reflect our strategic priorities and evolving stakeholder expectations.

RESPONSIBILITY & ASSURANCE

The Board of Directors (Board) of CelcomDigi has ensured the integrity of this integrated report through governance and effective disclosure controls and procedures. The Reporting Committee, comprising the Chief Executive Officer (CEO), Chief Financial Officer, Chief Corporate Affairs Officer, and relevant departments, have verified that the report is compliant with all regulations and reporting frameworks. This report was reviewed and approved by the Board in March 2026.

Our financial statements are independently audited and prepared in accordance with the MFRS, IFRS, and the requirements of the Malaysian Companies Act 2016. The audited financial statements are disclosed in Section 6 from pages 146 to 245. We have also obtained limited assurance from an independent auditor on selected non-financial indicators. Further details of the independent assurance report can be found on pages 246 to 249.

FORWARD-LOOKING STATEMENTS

The forward-looking statements in this report aim to provide readers with a potential outlook on our plans. While these statements represent our judgment on future expectations, they should not be regarded as guarantees of CelcomDigi's future performance – as a number of risks, uncertainties, and other important factors may cause actual results to differ materially from our expectations.

REPORTING SUITES

We are committed to reporting in a transparent and honest manner. To view the full reporting suite, please visit our website at https://corporate.celcomdigi.com/annualreport.

- Integrated Annual Report 2025
- Sustainability Webpage and GRI Index
- Corporate Governance Report 2025

About This Report

REPORT NAVIGATION

The following icons help to align our integrated narrative so that readers can gain a deeper understanding of the interconnectivity and interrelatedness of various parts of our business.

REPORT NAVIGATION

Our Capitals

- Financial
- Intellectual
- Manufactured
- Human
- Social and Relationship
- Natural

Our Stakeholders

- Board of Directors
- Government and Regulators
- Customers
- Employees
- Shareholders, Analysts, and Investors
- Media
- Suppliers and Business Partners
- Community, Sustainability Partners, and Non-Governmental Organisations (NGOs)

Our Material Matters

- EC1 Network Quality, Reliability, and Continuity
- EC2 Sustainable Business Growth
- EC3 Digital Transformation and AI
- G1 Regulatory Compliance and Business Ethics
- G2 Data Protection and Cybersecurity
- S1 Customer Experience and Satisfaction
- S2 Talent and Culture
- S3 Health, Safety and Wellbeing
- S4 Digital Rights and Online Safety
- S5 Affordability and Inclusion
- S6 Community Development
- S7 Sustainable Supply Chain Management
- EN1 Climate Change Adaptation and Mitigation

Our Corporate Strategy

- Strengthen Market Leadership
- Enhance Customer Experience
- Drive Operational Excellence (OE)
- Invest for the Future

Further information is available where you see these icons:

- More information is available online
- Additional information can be found within the Report

WE ARE CELCOMDIGI

We are driven by our purpose of 'Advancing and Inspiring Society' through technology and innovation, and a strong commitment to being an inclusive and responsible company.



Today, we serve more than 20 million customers across the nation as Malaysia's largest mobile telecommunications operator. In 2025, we marked our third and final year of integration and modernisation efforts – a transformational journey that has strengthened our scale, capabilities, and competitiveness to deliver the widest, fastest, and most secure network in the country.

We aspire to be an icon of innovation for Malaysia, and a company with the scale and resources to be the nation's digital growth engine. We aim to nurture local talent, develop the local digital ecosystem, bring the best solutions, offers and experiences to our customers, and to be a brand that customers can trust and rely on in the age of 'digital-everything'.

We are well-positioned to accelerate 5G and the adoption of advanced digital solutions, while leveraging the power of Artificial Intelligence (AI) to unlock new horizons of growth for Malaysian businesses. At the same time, we are focused on deepening partnerships with global and regional technology leaders to propel the nation's economic growth and transformation into a 5G-AI-powered digital society.

We Are CelcomDigi

OUR PURPOSE

Advancing and Inspiring Society

OUR VISION

To Be The Nation's Top Telco-Tech Company

As the largest telco today, we are transforming ourselves beyond core connectivity to offer best-in-class customer experiences. With our wide range of product and service offerings, we are committed to leading in digitalisation and innovation, enabling an inclusive and sustainable digital society.

OUR BRAND PROMISE

Most Trusted Brand, Built on Customer Excellence

Trust and customer excellence are the foundation of our identity and the driving force behind everything we do. We aspire to be the nation's foremost enabler of digital lives, empowering Malaysian consumers, businesses, and society, building a platform for the next generation. We are inspiring innovation to help Malaysians achieve all their goals – through technologies, experiences, and ways of working. As we connect more people and places across the country, we are shaping the future and creating a world inspired by you.

CelcomDigi Way:

OUR VALUES

Customer Obsessed

We aim to provide outstanding customer experience for more than 20 million Malaysian consumers and business customers by gaining a deep understanding of their needs, and delivering superior customer experiences across all channels.

Performing Relentlessly

We are building a culture of performance excellence, based on a consistent and solid track record of delivering effectively through new work processes that drive operational efficiency, and a strong belief that together, CDzens are greater than the sum of our parts.

Stronger Together

We draw a richness of perspectives, experiences, and backgrounds from our deep and diverse talent pool, as well as our ability to collaborate and mobilise as one team to drive our purpose and vision, and live our brand.

Responsible and Caring

We are deeply committed to being an inclusive and inspiring company that upholds the highest standards of integrity and business conduct. We act responsibly to create a positive impact for the community and for everyone we engage with.

We Are CelcomDigi

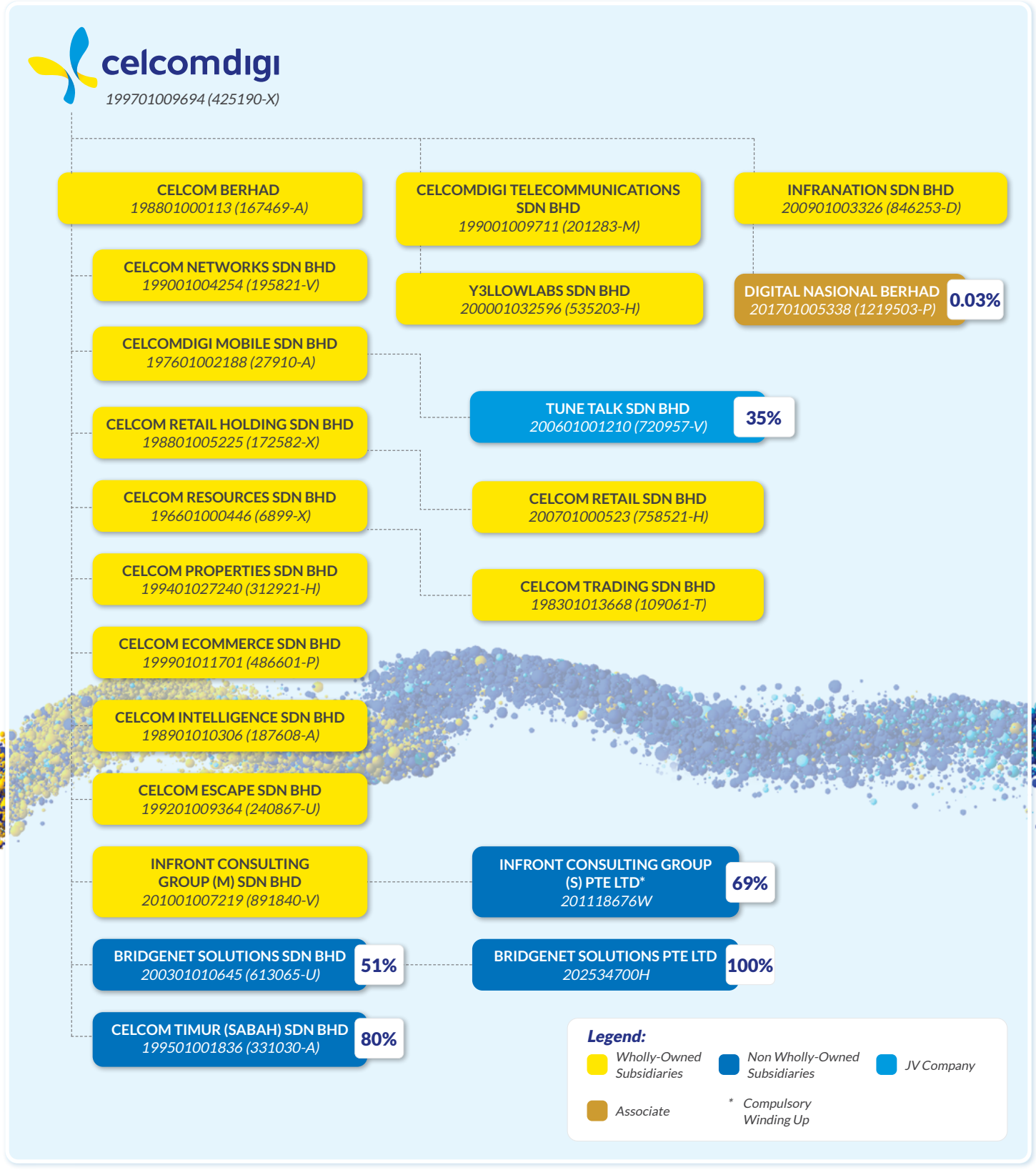
CELCOMDIGI WAY: OUR BEHAVIOURS

Our nine behaviours set the foundation for how we live our values. They guide us on how we think, work, and engage with each other as well as our customers. They inspire us to drive innovation, act with integrity, and build the most trusted brand, driven by customer excellence.

- Customer First
- Be Ambitious
- Own It and Innovate
- We Value Time
- Never Give Up
- Strength in Diversity
- Collaborate with Respect
- Do the Right Thing, the Right Way
- Live the Brand



CORPORATE STRUCTURE





Leading Malaysia's Progress

Malaysia's No.1 network powering the nation's digital future

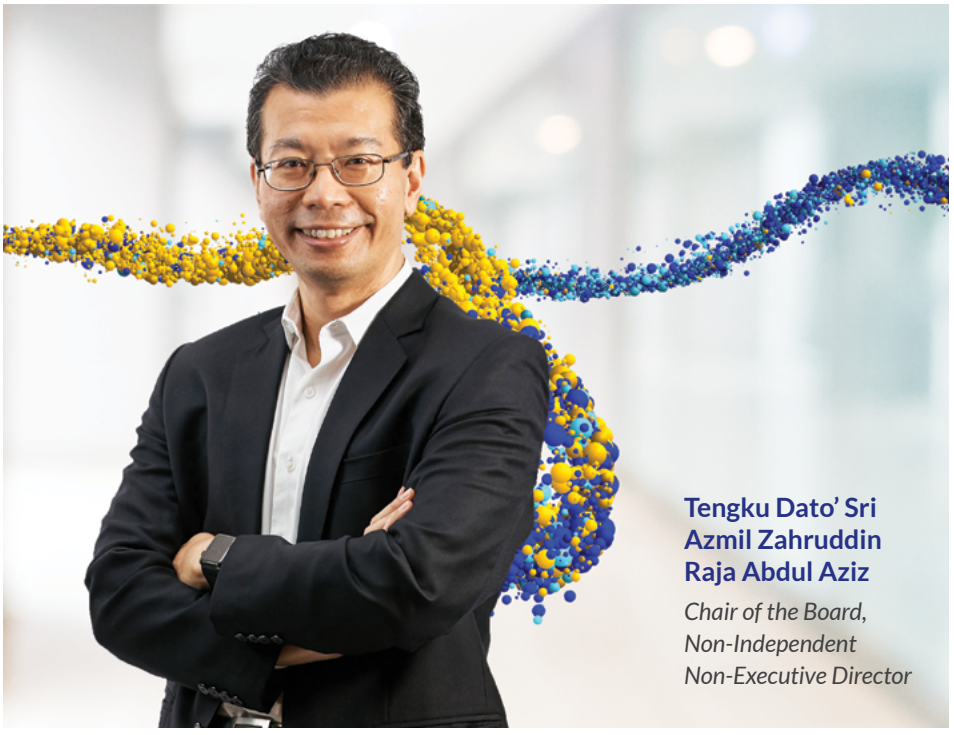


Ivan Liu Yu Ern, Innovation Experiential Specialist, is advancing robotics and AI adoption to accelerate the digitalisation of various sectors in Malaysia.

CHAIR OF THE BOARD'S STATEMENT

Dear Shareholders,

2025 was a vital year for CelcomDigi as the company strengthened its purpose of 'Advancing and Inspiring Society' and delivered results against a landscape marked by rapid technological change, rising stakeholder expectations, and continuing industry transformation. As Malaysia's leading mobile operator, the company remains committed to delivering exceptional customer experience, upholding strong corporate governance, and creating sustainable value for all stakeholders.



Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz
Chair of the Board, Non-Independent Non-Executive Director

The year also represented a critical stage of CelcomDigi's journey, as the Company approached completion of the integration programme three years after the merger. The Company now stands on a stronger, unified foundation, poised to capture the next horizon of Malaysia's digital growth. The Board is encouraged by the company's progress, driven by disciplined strategy execution, sound financial stewardship, and sustained delivery of shareholder value.

LEADING MALAYSIA'S DIGITAL PROGRESS

Malaysia's economy is still expected to sustain growth in 2026, despite current global headwinds. Current forecasts indicate gross domestic product (GDP) expansion in the range of 4%-5%*, supported by domestic demand, continued private investment, and ongoing national digital and industrial transformation initiatives. The telecommunications sector will remain a key enabler of economic progress, as demand for reliable connectivity, cloud, AI, and secure digital services continues to accelerate across households and enterprises.

Rapid growth in data consumption, enterprise digitalisation, and 5G adoption is reinforcing the need for trusted partners with integrated digital capabilities. As the industry evolves, both consumer and enterprise customers increasingly expect seamless, secure, and high-quality digital connectivity. These trends present meaningful opportunities for CelcomDigi to support national priorities while capturing new avenues of growth.

Against this backdrop, CelcomDigi is well positioned to support Malaysia's digital advancement and deliver sustainable value, supported by a strengthened operating foundation and a clear ambition to be the nation's leading telco-tech company. The company also continues to strengthen its resilience through prudent cost management, supply chain development and diversification, and a disciplined balance sheet, ensuring we are poised to navigate uncertainties while sustaining long-term value creation.

At the time of writing, the Board also remains mindful of ongoing geopolitical developments in the Middle East and their potential impact on the global economy. We are thankful that the Malaysian government continues to be prudent and proactive in protecting the economy and key sectors from these global shocks. The Board will continue to be vigilant on developments and the extent to which they influence critical areas such as domestic demand, inflation, foreign exchange, international connectivity, supply chains, and the safety and security of our employees and partners traveling to and through affected regions.

DELIVERING STRONG PERFORMANCE AND INTEGRATION VALUE TO CUSTOMERS

In 2025, CelcomDigi maintained steady performance while progressing the final phases of one of the region's largest post-merger integration and transformation efforts. The company notably sustained healthy topline momentum and strengthened operational efficiencies across key segments.

In parallel, integration efforts have translated into tangible benefits for customers: a more resilient and efficient network, streamlined digital platforms, and a modernised retail experience that elevates engagement and service delivery. These advancements enhance operational effectiveness, improve customer experience, and enable CelcomDigi to capture

** Source: BNM Economic and Monetary Review 2025 Report*

Chair of the Board's Statement

long-term growth as Malaysia's leading digital connectivity provider. A detailed account of the company's business performance and integration progress is presented in the Chief Executive Officer's Review on pages 12 to 15 of this report.

SUSTAINING LONG-TERM SHAREHOLDER VALUE THROUGH DISCIPLINE AND STABILITY

Through the final stages of integration in 2025, the company upheld its commitment to disciplined capital management and stable operational execution. During the year, the Board declared a total dividend payout of 14.7 sen per share, supported by healthy cash flow generation and strong balance sheet fundamentals.

The company also progressed its multi-year synergy agenda, delivering RM806 million in cumulative synergy savings to date, and remaining on track to achieve steady-state annual cost savings of approximately RM800 million post 2027. These outcomes reflect the robustness of the company's operating model and its ability to continue creating sustainable long-term value for shareholders.

CelcomDigi's strong financial position is reinforced by the AAA credit ratings assigned to its debt programmes by both Rating Agency Malaysia Berhad (RAM) and Malaysian Rating Corporation Berhad (MARC). These ratings reflect the company's sustained commitment to maintaining a high investment-grade profile for the long term.

REINFORCING CORPORATE GOVERNANCE AND STRENGTHENING DIGITAL TRUST

Robust corporate governance remains fundamental to CelcomDigi's ability to operate at scale in an increasingly digital, AI-enabled environment. The company continues to uphold stringent standards of oversight, ethics, and integrity across its operations, reinforcing trust as a core institutional asset.

While we explore the full potential of AI in driving new opportunities across all industry sectors and society, we are cognisant that AI growth must be responsible, balanced, and inclusive. This is a shared responsibility for the entire sector, ensuring that every citizen can continue to participate in a shared digital future.

Our governance priorities in the year also included strengthening cybersecurity readiness, enhancing privacy and data protection, and ensuring the ethical and responsible use of emerging technologies such as AI. In 2025, the company achieved 100% completion of key training in cybersecurity, safety, compliance, and ethics. CelcomDigi also advanced inclusivity by increasing women's representation in senior leadership to 37%, on track to reach its goal of 40% by 2028.

The Board remains closely aligned with evolving regulatory developments and further strengthened internal controls through active oversight from the Board Governance and Risk Management Committee (BGRMC). The company's corporate governance practices are regularly benchmarked against leading industry standards, with full disclosures provided in Section 5 of this report on pages 110 to 132.

ADVANCING SUSTAINABILITY AND SUPPORTING SOCIETAL PROGRESS

CelcomDigi's sustainability agenda is rooted in the company's purpose and remains a central pillar of its strategy in 2025. The company continued driving meaningful progress across four priority areas of inclusive and safe digital access, sustainable value chain, governance and performance culture, and environmental impact and action. Partnerships continued to play a key role in extending impact, particularly in digital literacy, anti-scam, and online safety awareness, as well as community development. A detailed account of these efforts is available in the Sustainability Statement section on pages 54 to 87 of this report.

The company's strong performance across leading ESG benchmarks reinforces its position as a responsible business committed to long-term societal value creation. CelcomDigi sustained a 4-star rating on the FTSE4Good Bursa Malaysia Index and maintained its medium-risk classification on Sustainalytics. CelcomDigi was also recognised among the top-ranked organisations at the National Corporate Governance and Sustainability Awards 2025.

OUR APPRECIATION TO ALL STAKEHOLDERS

On behalf of the Board, I extend my appreciation to our shareholders, customers, regulators, and partners for your continued trust and support throughout the year.

The Board sincerely thanks former members Tan Sri Abdul Farid Alias and Kasper Wold Kaarbø for their dedicated service and valued counsel during a defining period for the company. We also warmly welcome Irfan Wahab Khan and Tunku Alizakri Raja Muhammad Alias to the Board. Their experience and perspectives strengthen the Board's collective depth, and I am confident that their appointment will help guide the company through its next phase of growth and value creation.

The Board wishes to recognise the contribution of former CEO Datuk Idham Nawawi whose leadership in the formative years of the company helped shape the strong foundation we build on today. We welcome the steady leadership continuity provided by our new Chief Executive Officer, Albern Murty, and the senior management team, and extend our deepest appreciation to all employees for their dedication and commitment through the year. The collective experience, commitment, and unity among all CDzens augurs well for CelcomDigi as the company moves into the next phase of its strategy.

CelcomDigi enters 2026 with strengthened capabilities, a unified foundation, and a clear vision for the future. The Board is confident that the company is well placed to continue delivering sustainable value while 'Advancing and Inspiring Society'.

We look forward to engaging with our shareholders on our future business plans at our 29th Annual General Meeting (AGM), which will be held in a hybrid format on 14 May 2026. Please refer to the Notice of AGM on pages 270 to 278 for details.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Dear Shareholders,

2025 marks the close of a defining three-year chapter for CelcomDigi. What began in 2022 as the formation of a newly merged market leader progressed through deep operational, financial and cultural integration in the following years. Therefore, allow me to begin by firstly thanking all of you for the trust in CelcomDigi over the past three years as we executed on these priorities.



Albern Murty
Chief Executive Officer

In 2025 we neared completion of the majority of our integration commitments, while sustaining strong performance in a competitive market. With integration largely complete, we are transitioning into steady-state execution and are focused on delivering consistent market performance, sustainable growth – faster than the market – and operational efficiency. CelcomDigi today operates with a harmonised operating model, stronger governance, and sharper execution discipline. We remain grounded in our purpose of 'Advancing and Inspiring Society'. We are committed to becoming Malaysia's most trusted brand built on customer excellence and delivered through the nation's widest, fastest and most secure network. We move forward with gratitude for the trust of more than 20 million customers, and with confidence in the strength of our foundations. And we are powered by committed and resilient CDzens whose spirit of collaboration enables us to execute with focus and passion every day.

STRENGTHENING MARKET LEADERSHIP

Delivering Sustainable Growth

In the year, we continued to refresh our product propositions to deliver stronger value across mobile, convergence, enterprise solutions, and value-added services (VAS). We enhanced our network, retail, digital, and customer support channels to strengthen customer confidence. We drove market leadership by building the right product portfolio for the various segments to deliver sustainable growth.

Our core segments continued to register solid growth, driven by increased uptake of higher-value offerings. Postpaid and Home & Fibre revenues grew by 4.1% and 40.2% respectively. We stabilised Prepaid through targeted value acquisitions. Enterprise Solutions grew 24.3%, underscoring strong demand for technology-led services. These outcomes give us confidence that our strategy and market execution are delivering the right results across the business.

Strong FY2025 Performance, Synergy Targets On Track

Growth across these key segments delivered solid FY2025 financial performance. Total Revenue and Service Revenue reached RM12.96 billion (+2.2%) and RM10.91 billion (+1.1%) respectively, while Earnings Before Interest and Tax (EBIT) was at RM2.67 billion (+15.7%), and Profit After Tax (PAT) stood at RM1.53 billion (+10.1%), reflecting our disciplined approach to cost and capital allocation. This was further supported by RM1.87 billion in capital expenditure (CAPEX) avoidance from integration efforts. These efficiencies enabled us to realise RM2.68 billion in total gross synergy savings over the last three years and gives us a strong long-term financial foundation. We remain on track to deliver steady-state annualised cost savings of RM800 million post-2027.

We declared a total dividend of 14.7 sen per share for FY2025, in line with our commitment to delivering shareholder returns.

More on our Financial Performance on pages 26 to 27.

ENRICHING CUSTOMER EXPERIENCE

Modernising Network and IT Capabilities to Deliver Improved Experience

We are today Malaysia's widest, fastest and most secure network following a nationwide network integration and modernisation programme, which is now over 90% complete and provides

Chief Executive Officer's Statement

an enhanced network experience for all users. The newly assigned 1800MHz and 2600MHz spectrum bands further boost high-performance connectivity for our customers nationwide. Customers today enjoy faster average speeds of 80 Mbps, stronger signal strength, and 4G coverage at 98% of populated areas, with nationwide high-speed 5G network access.

On IT, we completed over 80% of our consolidation programme and reached a critical milestone in building a unified, scalable and modern technology core. The successful upgrade of our Distribution Management System (DMS) integrated 10 legacy systems and streamlined nationwide dealer operations. The remaining phases of our enterprise resource planning (ERP), billing, and customer relationship management (CRM) systems transformation are progressing on track toward completion in 2027. These network and IT investments are valuable long-term levers to strengthen service resilience, elevate our operational efficiency and innovation capability.

Serving Customers 24x7, 365 Days

We enhanced customer experience across both physical and digital touchpoints. As part of our retail transformation, we launched two flagship CelcomDigi Store *Life*, consolidated and refreshed more than 60 CelcomDigi outlets, and transformed over 300 exclusive partner stores nationwide. These experiential spaces now also anchor how customers explore smart living solutions, AI-enabled devices, and convergence offerings. Post-transformation, we see close to 1.8X revenue uplift per store, while productivity improved 1.2X. We digitalised our sales ecosystem by equipping frontliners with AI-powered tools and analytics, enabling faster time to serve and better contextual marketing across channels.

We accelerated digital engagement through the launch of the new CelcomDigi App, which now exceeds 5.5 million registered users and serves as our primary platform for all our customers nationwide.

We also transformed customer support by expanding AI-enabled assistance through innovations powered by GenAI and Agentic AI, enabling seamless cross-channel interactions, which further improved customer service and enabled us to achieve a Customer Satisfaction (CSAT) score of above 80%, ahead of industry peers.

More about our initiatives in Enhancing Customer Experience on pages 97 to 99

DRIVING OPERATIONAL EXCELLENCE

Driving Cost Efficiency and Productivity at Scale

Our ambition is to become one of the region's most efficient telecommunications providers. We tightened cost discipline, streamlined processes, and scaled automation across the organisation. As an example, with IT consolidation largely complete, we deepened efficiency by reducing cloud costs by 15%, and deploying robotic process automation (RPA) use cases that lifted IT productivity and accelerated touch-free operations and enabled a structurally lower-cost model through reductions in costs to serve and costs to acquire. Additionally, our virtual digital employee SOPHIA has automated large-scale tasks throughout the organisation, delivering over RM10 million in annual OPEX savings.

We reinforced Sourcing discipline through a full review of major contracts, realising RM223 million in operational efficiency (OE). Network cost optimisation initatives, including site decommissioning and energy efficiency initiatives, further reduced structural costs. We also sharpened commercial efficiency by optimising costs across the board, including incentives, subsidies, our stores and product portfolios to attract higher value customers. These actions created a more agile organisation, strengthening OE as a sustained competitive advantage.

More about our initiatives in Driving Operational Excellence on pages 100 to 102.

INVESTING FOR THE FUTURE

Accelerating 5G, AI and Data Innovation for New Growth

In the year, we strengthened our telco-tech ambitions by deepening enterprise leadership and scaling our 5G–AI innovation engine to drive transformation for businesses of all sizes driven by innovations developed internally or through partnerships.

Our CelcomDigi AI Experience Centre (AiX), powered by 56 global and local partners, serves as a dynamic platform for developing and scaling next-generation enterprise solutions — both in-house and through strategic collaborations. With 61 readily deployable 5G-AI use cases, including 28 live enterprise pilots, AiX provides a strong pipeline of innovations that feed directly into our TechCo offerings.

We continued to advance digital adoption for SME customers through nationwide MY5G SME workshops, alongside enhanced connectivity and mobile offerings. For large enterprise customers, we accelerated the build-out of our TechCo organisation by delivering solutions in cybersecurity, cloud, Internet of Things (IoT) and AI. This included launching our NACSA-certified, NIST-aligned AI cybersecurity suite with real-time threat prediction, detection and recovery. We also expanded cloud offerings, advanced AI-enabled IoT adoption, and 5G innovation across sectors.

Building Sustainable 5G Value

Our involvement in Malaysia's 5G ecosystem through our shareholding in Digital Nasional Berhad (DNB) reflects our belief in the long-term demand for high-quality, nationwide

Chief Executive Officer's Statement

connectivity, and the broader role that digital infrastructure will play in enabling the country's next phase of growth. We are confident that this augurs well for the future as the 5G landscape in Malaysia continues to evolve. With growing 5G traffic and 15-year spectrum assignment secured, DNB is well placed to ensure continuity of high-quality nationwide 5G services.

We remain actively engaged with stakeholders and maintain close oversight of DNB's financial position, funding strategy, and operational performance, and continue to apply a disciplined approach to capital allocation.

We remain confident in the long-term prospects of the 5G ecosystem, and in our ability to capture sustainable value from this investment going forward as both a shareholder and an access seeker.

Building a High-Performing, Future-Ready Team

In the year, we put in place initiatives to develop strong brand ambassadors for CelcomDigi. We are proud to be CDzens.

We embedded the CelcomDigi Way as a cultural blueprint, shaping a value-based organisation where aligned behaviours and leadership expectations drive accountability and performance. We also accelerated competency building through the CelcomDigi Academy, expanding structured upskilling in AI, digital, technical and leadership skills, while deepening our talent pipeline.

Through internal culture initiatives, we delivered outstanding Employee Engagement Survey (EES) results of 86% in engagement scores and 90% in employee pride. We have also clearly communicated our strategy and must-win battles across the organisation to foster a strong sense of ownership and accountability among all employees. We remain committed to becoming a top employer and workplace of choice, building the talent and culture required to lead Malaysia's digital future. In addition, we launched *CD:NXT*, our flagship initiative to equip 5,000 Malaysian youths with AI, technology, data and analytics skills.

Leading Responsibly

We continue to uphold the highest standards of integrity and corporate governance to safeguard the interests and rights of our customers and communities. This commitment is how we build trust – the foundation of our ambition to be the brand Malaysians can rely on in the age of digital everything.

We continued to make progress with our responsible business agenda across four areas of inclusive and safe digital access, sustainable value chain, governance and performance culture, and environmental impact and action. We broadened nationwide scam-awareness efforts through the S.A.F.E. Internet programme, working with enforcement agencies, media partners, schools, universities, and community groups.

On the technology side, we reinforced security at every layer of our network and systems. Baseline protections now block fraudulent calls, filter suspicious Short Message Service (SMS), and manage malicious traffic before it reaches customers. Additional security-related value-added services have also been made available for our customers to further protect themselves.

More about our initiatives in Investing for the Future on pages 103 to 107.

BECOMING MALAYSIA'S TELCO-TECH LEADER

Malaysia entered 2026 with steady economic momentum, resilient domestic demand and reform priorities anchored in the Thirteenth Malaysia Plan. Continued investments in AI, digital infrastructure and 5G are strengthening the country's long-term competitiveness.

CelcomDigi's 2026 aspirations are to be a reliable connectivity provider, driving sustainable, profitable growth as a market leader in the most efficient manner leveraging AI and technology and to build a brand anchored on trust and customer excellence.

We continue to **strengthen market leadership** through value-led propositions, hyper-personalised and sharper go-to-market execution, and deeper convergence across mobile, fixed, and digital services. We are **enhancing customer experience** by being the country's widest, fastest and most secure 4G/5G network, leveraging our modernised retail environment, and the new CelcomDigi App as a core digital growth engine across all channels and parts of the organisation.

We are diligently **driving operational excellence** by simplifying operating models, improving productivity, and strengthening vendor and procurement effectiveness. Technology-driven structural changes, including automation and the consolidation of our IT core, will further improve scale, innovation velocity, and service quality delivered in the most efficient manner.

Finally, we continue to **invest for the future** by advancing autonomous networks, accelerating AI, data, and 5G innovation, and scaling enterprise solutions across private networks, IoT, Application Programming Interface (API), and edge computing.

We remain focused on continuing to build trust and customer excellence, while strengthening our position as a market leader through consistent execution and differentiated customer experiences. We are looking ahead with confidence and optimism to serve our 20 million customers every day.

More on our Strategy on pages 52 to 53.

Chief Executive Officer's Statement

I extend my appreciation to colleagues who have contributed to CelcomDigi's journey, including former CEO Datuk Idham Nawawi, whose leadership helped steer the organisation through its formative years, and former Chief Consumer Business Officer, Praveen Rajan, who developed a strong team to lead our consumer business forward. Both have completed their tenures with us. We are deeply saddened by the passing of our colleague and friend, Erik Axel Sigurd Marell who was the previous Chief Strategy Officer, and remain grateful for his invaluable contributions to the company.

I am confident that all CDzens have the required capabilities, experience and dedication to deliver our strategy going forward. Thank you, CDzens.

I extend my sincere appreciation to all Customers, who trust us to serve them; our ecosystem Partners, who collaborate with us to grow our business; our Shareholders, for their continued confidence; and the Government for their guidance and partnership in shaping Malaysia's digital future.

Terima kasih.



BOARD OF DIRECTOR'S PROFILES



Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz

Chair of the Board,
Non-Independent Non-Executive Director

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: **19 January 2023**

Length of Service

3 years and 2 months (as at 13 March 2026)

Work Experience

Tengku Dato' Sri Azmil Zahruddin previously served as the Chief Investment Officer at Khazanah Nasional Berhad (Khazanah), overseeing Khazanah's investment portfolio. His tenure at Khazanah included various senior positions, including Deputy Managing Director and Executive Director of Investments from 2011. Tengku Azmil also held senior leadership positions at Malaysia Airlines as Managing Director/Chief Executive Officer and Executive Director/ Chief Financial Officer.

Prior to these roles, he sustained leadership positions at Penerbangan Malaysia Berhad and gained international experience at PricewaterhouseCoopers in London and Hong Kong. Tengku Azmil also served as Chairman of UEM Group and Themed Attractions Resorts & Hotels Sdn Bhd, and held directorships in Axiata Group Berhad, IHH Healthcare Berhad, and Malaysian Global Innovation & Creativity Centre Berhad (MaGIC).

Other Commitments

Tengku Azmil is currently an independent non-executive board member of Sime Darby Berhad and independent non-executive board member of CIMB Group Holdings Berhad and CIMB Bank Berhad. He is also Chairman of CIMB Thai Bank PCL.

Qualifications

Tengku Azmil holds a degree in Economics from the University of Cambridge, UK. He is a Chartered Accountant and member of the Malaysian Institute of Accountants (MIA) and a fellow of the Institute of Chartered Accountants in England and Wales (ICAEW).



Jon Omund Revhaug

Deputy Chair, Non-Independent
Non-Executive Director
Board Governance and Risk Management
Committee Member

Board Meeting Attendance in 2025: **10/11**

Date of Appointment: **21 March 2025**

Length of Service

1 year (as at 13 March 2026)

Work Experience

Mr Revhaug is an experienced senior business leader, currently the Executive Vice President, Head of Asia at Telenor Group. He joined Telenor Group in 2001 and spent 20 years leading the establishment of new businesses, building emerging market leadership positions, and playing an integral role in M&A and large transactions. Mr Revhaug also held Board of Director positions in the Nordics and Asia during this time. He was previously Chair of the Board of Directors of Telenor Myanmar and served as a board member of Telenor Procurement Company in Singapore.

Mr Revhaug was previously acting EVP, Head of Telenor Nordics. Prior to this, he was Chief Operating Officer at Telenor Nordics with responsibilities in technology, IT, and Shared Services across the region, and served as Chief Transformation Officer for True Corp in Thailand, where he led integration efforts in the merger between CP-owned True and Telenor-owned Dtac. Mr Revhaug was also the Chief Executive Officer (CEO) of Telenor Myanmar, which he led through Covid and the military coup.

As CEO of Telenor Procurement Company, he was instrumental in establishing Telenor Group's global sourcing function.

Other Commitments

Mr Revhaug is currently on the Boards of Grameenphone Ltd, True Corporation Public Company Limited, Citrine Venture Sg Pte Ltd, Citrine Venture Holdings Co. Ltd, and Citrine Global Company Limited.

Qualifications

Mr Revhaug holds a Master of Management degree from BI Norwegian Business School and a Candidate Magister degree in Economics and Biology from the University of Tromsø, Norway.

Board of Director's Profiles



Vivek Sood

Non-Independent Non-Executive Director, Chair of Board Governance and Risk Management Committee

Board Meeting Attendance in 2025: **11/14**

Date of Appointment: **19 January 2023**

Length of Service

3 years and 2 months (as at 13 March 2026)

Work Experience

Mr Vivek has demonstrated leadership across diverse roles, currently serving as Group Chief Executive Officer and Managing Director (GCEO) of Axiata Group Berhad (Axiata). He joined Axiata as Group Chief Financial Officer (GCFO) in 2017. Prior to this, he was the Executive Vice President and Group Chief Marketing Officer of Telenor Group, CEO and CFO of Telenor India, CEO of Grameenphone Bangladesh, and Chief Operating Officer and CFO of Tata AIA Life Insurance (India). His experience includes leading multidisciplinary and multi-cultural teams, overseeing business, finance, and transformation within the telecommunications, insurance, and consumer sectors.

He serves on the boards of Axiata's listed and unlisted subsidiaries. As Group CEO, he is responsible for implementing Axiata's portfolio, business strategies, and results as mandated by Axiata's Board. His role involves developing Axiata's culture, transforming the business, building trust among stakeholders, and delivering expected returns to investors. In his earlier roles, he acted as a change agent, steering a major telco's transformation into a digital services provider and developing innovative services. His global knowledge extends across Asian and European markets, leading teams with diverse cultures and backgrounds.

Other Commitments

Mr Vivek also holds board positions in various Axiata subsidiaries, including Dialog Axiata PLC, Robi Axiata PLC, PT XLSmart Telecom Sejahtera, PT Link Net Tbk, ADA Data AI Solutions Sdn Bhd (formerly known as Axiata Digital & Analytics Sdn Bhd), Boost Holdings Sdn Bhd, and Smart Axiata Co., Ltd.

Qualifications

Mr Vivek holds a Bachelor in Commerce from the University of Delhi, India and is a Qualified Chartered Accountant of India. He obtained his Accountancy and Audit Training at PricewaterhouseCoopers India.



Nik Rizal Kamil Nik Ibrahim Kamil

Non-Independent Non-Executive Director

Board Meeting Attendance in 2025: **12/14**

Date of Appointment: **12 February 2025**

Length of Service

1 year and 1 month (as at 13 March 2026)

Work Experience

Mr Nik Rizal was appointed as Axiata Group Berhad's Group Chief Financial Officer in January 2024, having previously served as Group Chief Financial Officer at RHB Group since 2021.

Prior to that, Mr Nik Rizal was with Khazanah Nasional Berhad (Khazanah) from 2011 to 2021, where he held the position of Executive Director, Investments. In this role, he served as Head of Private Markets for North America and Europe, Middle East, and Africa (EMEA), and India, as well as Head of the Telecommunications, Media & Technology (TMT) sector.

Additionally, Mr Nik Rizal was also Khazanah's nominee on the Boards of Telekom Malaysia Berhad, Astro Malaysia Holdings Berhad, and various unlisted companies.

Prior to Khazanah, Mr Nik Rizal had spent ten years with the Royal Dutch Shell group in finance and strategy roles in Malaysia, Singapore, and the United Kingdom.

Other Commitments

Mr Nik Rizal also holds board positions in various Axiata subsidiaries, including PT XLSmart Telecom Sejahtera Tbk, PT Link Net Tbk, Robi Axiata Ltd, EDOTCO Group Sdn Bhd, Axiata Digital Services Sdn Bhd, and Axiata Digital Labs Sdn Bhd.

Qualifications

Mr Nik Rizal holds a Master in Finance (MSc) from London Business School and a Bachelor in Science (BSc) in Economics and Accounting from University of Bristol in the United Kingdom. He is a Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants in England and Wales (ICAEW) where he also holds a Business Finance Professional (BFP) qualification. He is also a Chartered Accountant and a member of the Malaysian Institute of Accountants (MIA).

Board of Director's Profiles



Rita Skjaervik

Non-Independent Non-Executive Director

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: **30 November 2022**

Length of Service

3 years and 2 months (as at 13 March 2026)

Work Experience

Ms Skjaervik has held senior and top management positions in the public and private sectors in Norway. She joined Telenor Group in 2014 and has served in multiple roles in Telenor Norway and in the Group, such as Senior Vice President (SVP), Head of CEO Office, and SVP Head of Group Strategy and External Relations. From December 2021, she was appointed Executive Vice President Strategy and External Relations, and consequently as a member of the Group Executive Management. She has been a board member in several of Telenor Group's unlisted subsidiaries and has board experience from other Norwegian companies.

Prior to joining Telenor, Ms Skjaervik worked as State Secretary from 2005 and Deputy Chief of Staff for the Prime Minister of Norway between 2009 and 2013. She has also worked as a political advisor for the Labour Party in the Norwegian Parliament.

Other Commitments

Ms Skjaervik is an integral part of the Telenor Group Leadership Team, holding the position of Executive Vice President - People, Sustainability, and External Relations. She is currently on the boards of Telenor Networks Holding AS, Telenor Nordics AS, Telenor Procurement Company Pte Ltd and Abelia (a Business Association of the Confederation of Norwegian Enterprise).

Qualifications

Ms Skjaervik has a Master of Political Science (Cand.polit.) from the University of Oslo, Norway.



Irfan ul Wahab Khan

Non-Independent Non-Executive Director

Board Meeting Attendance in 2025: **11/11**

Date of Appointment: **30 April 2025**

Length of Service

Less than a year (as at 13 March 2026)

Work Experience

Mr Irfan ul Wahab Khan is a seasoned executive, CEO, and Board Director. He is currently Senior Vice President – Portfolio Development for Telenor Asia where he is responsible for Commercial, Leadership and Talent Development, and Technology.

Prior to joining Telenor Asia, Mr Khan was CEO of Telenor Pakistan. In addition to this, for a number of years, Mr Khan was EVP, Head of Telenor's Emerging Asia Cluster which included the Group's operations in Bangladesh, Pakistan, and Myanmar. Other roles he has held at Telenor Group include Global Head of Device Business at Telenor HQ in Oslo Norway and Regional Head for distribution in Asia.

Mr Khan has over 20 years of diverse management experience with leading telecommunication companies such as Orange, T-Mobile, Ericsson, and Telcordia Technologies across North America, Europe, and Asia.

Other Commitments

Mr Khan is currently Chair of the Board of Directors for EasyPaisa Digital Bank Limited (Pakistan). He is also a member of the Board of Directors for Grameenphone Ltd in Bangladesh and IMD Switzerland's Governance Board.

Qualifications

Mr. Khan holds BSc (Electrical Engineering) from UET Lahore and a Masters degree in Mobile Personal and Satellite Communications from University of Westminster, London. He also holds qualifications in Financial Management from Harvard Business School, executive diploma in Marketing from London Business School and Advance Management Programme from INSEAD. He is also a lifetime Alumni of IESE and INSEAD.

He is a qualified Director from IMD and a member of Institute of Directors, Singapore.

Board of Director's Profiles



Vimala V.R. Menon

Independent Non-Executive Director, Chair of Board Audit Committee, Board Nomination and Remuneration Committee Member

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: **1 July 2015**

Length of Service

10 years and 8 months (as at 13 March 2026)

Work Experience

Ms Menon served as a Senior Independent Non-Executive Director and Chair of the Audit and Risk Committee of Digi.Com Berhad until the completion of the merger on 30 November 2022. She is currently an Independent Non-Executive Director at CelcomDigi Berhad.

Ms Menon is a Chartered Accountant with over 30 years of experience in finance and general management. She has held executive roles at Edaran Otomobil Nasional (EON) Berhad and Proton Holdings Berhad, including serving as an Executive Non-Independent board member of EON Berhad from 1990 to 2006.

In her 16 years of board experience, she served as an Independent Non-Executive Director and Audit Committee Chair for various companies, including EON Bank Berhad, Jardine Cycle & Carriage Limited, PT Astra International Tbk, Cycle & Carriage Bintang Berhad, Petronas Chemicals Group Berhad, Petronas Dagangan Berhad, and Prince Court Medical Centre Sdn Bhd.

Other Commitments

Ms Menon has been a member of the Board of Trustees of Yayasan Tunku Abdul Rahman (YTAR) since 10 November 2021.

Qualifications

Ms Menon is a Fellow of the Institute of Chartered Accountants in England and Wales, and a Member of the Malaysian Institute of Accountants (MIA).



Datuk Iain John Lo

Independent Non-Executive Director, Chair of Board Nomination and Remuneration Committee, Board Governance and Risk Management Committee Member

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: **24 May 2021**

Length of Service

4 years and 10 months (as at 13 March 2026)

Work Experience

Datuk Iain started his career in 1987 as a civil engineer with the engineering consultancy firm, Konsortium Malaysia, based in Kuching, Sarawak. In 1990, he joined Sarawak Shell Berhad as a field engineer, and went on to hold several senior positions in Malaysia and Singapore. From 2004 to 2006, he served as the Asia Pacific Regional Advisor to Shell's Executive Committee at Shell International in The Hague.

Datuk Iain retired as the Country Chair of Shell Malaysia Ltd in March 2021. Datuk Iain brings over 30 years of extensive knowledge and experience from his time with Shell, both in Malaysia and abroad.

Other Commitments

Currently, Datuk Iain is an Independent Non-Executive Director of RHB Bank Berhad and RHB Investment Bank Berhad. He chairs both the Board Nomination and Remuneration Committee and the Board Sustainability Committee, and he actively contributes to the Board Audit Committee at RHB Bank Berhad.

He also serves on the Board of Guardians of the Sarawak Sovereign Wealth Future Fund and the Board of Sepang International Circuit Sdn Bhd.

Qualifications

Datuk Iain has a Bachelor and Master of Science in Civil Engineering from the University of California, Los Angeles, USA.

Board of Director's Profiles



Khatijah Shah Mohamed

Independent Non-Executive Director,
Board Audit Committee Member,
Board Governance and Risk Management Committee Member

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: **30 November 2022**

Length of Service

3 years and 3 months (as at 13 March 2026)

Work Experience

Puan Khatijah has accrued 29 years of business management and organisational leadership roles in the Information Technology sector, working with various multinational corporations in Malaysia, Hong Kong, United States, and the Middle East. Puan Khatijah started her career with International Business Machines Corporation (IBM). She was later appointed as the Managing Director for Oracle Systems Malaysia and subsequently as the Managing Director of SAP Malaysia, overseeing the Malaysia, Brunei, and Pakistan markets. In 2005, she became General Manager at SAP AG in Dubai, where she managed the company's business across 15 countries in the Middle East. She then delved into entrepreneurship, starting her real estate business in Dubai under the Engel & Voelkers Franchise. In 2008, her business became one of Engel & Voelkers' most successful operations worldwide.

Puan Khatijah has prior board experience as an Independent Non-Executive Director at Celcom Berhad and as Chair of the Board Risk and Compliance Committee, Chair of the Board IT Steering Committee, member of the Board Audit Committee, member of the Board Dispute Resolution Committee, and as a member of the Axiata Board Cyber Security Steering Committee. She has also served as a board member of MIMOS Berhad, an agency under the Ministry of Science, Technology and Innovation (MOSTI), for seven years.

Other Commitments

She does not hold any directorships, partnerships, or significant commitments in other companies or entities, whether public or private.

Qualifications

Puan Khatijah holds a Diploma in Computer Science from Universiti Teknologi MARA. She has participated in various leadership programmes globally with IBM and SAP, including a one year leadership programme in INSEAD, France.



Tunku Alizakri Raja Muhammad Alias

Independent Non-Executive Director,
Board Audit Committee Member,
Board Nomination and Remuneration Committee Member

Board Meeting Attendance in 2025: **9/9**

Date of Appointment: **30 June 2025**

Length of Service

Less than 1 year (as at 13 March 2026)

Work Experience

Tunku Alizakri Raja Muhammad Alias has more than 30 years of senior management and board experience across multiple sectors, including retirement funds, financial services, central banking, takaful, healthcare, media and telecommunications, plantation, oil and gas, and property development. Tunku Alizakri has also chaired Malaysia's two sovereign bodies tasked to build and grow the start-up and venture capital industry for Malaysia. His last executive role was as the Chief Executive Officer of the Employees Provident Fund (EPF). His areas of expertise include sustainability, enterprise digitalisation and transformation, corporate strategy, and fund management. Prior to joining EPF, Tunku Alizakri was the Chief Marketing Officer and Chief Operating Officer of the Iclif Leadership and Governance Centre. He has also held the positions of Director of Strategic Management at Bank Negara Malaysia, Director and Head of Strategy and Corporate Affairs at Digi Telecommunications Berhad, and Vice-President and Head of Group Strategic Planning at Malayan Banking Berhad.

Other Commitments

He serves as an independent non-executive director for Bumi Armada Berhad, Kuala Lumpur Kepong Berhad, Prudential BSN Takaful Berhad, and RAM Holdings Berhad. In addition, he serves as the Chairman and a Director of Collektr Sdn. Bhd.

Qualifications

Tunku Alizakri holds a Master in Business Administration from Cornell University and a Bachelor of Law from King's College, University of London. He is also a Barrister-at-Law at The Honourable Society of Lincoln's Inn. He undertook Executive Education in Public Policy, Sustainability and Circular Economy at Harvard Kennedy School and the University of Cambridge, and completed specialised training in sustainability and climate risk with the Global Association of Risk Professionals.

Board of Director's Profiles

Notes:

1. None of the Directors have any familial ties with other Directors or major shareholders of the Company.

2. Except as disclosed in the Board Audit Committee Report, none of the Directors have any actual or potential conflict of interest, including interests in businesses in competition with the CelcomDigi Group.

3. None of the Directors have been convicted of any offences within the past five years or received any public sanctions or penalties from regulatory bodies during the financial year, other than traffic offences, if any.

MANAGEMENT'S PROFILES



Albern Murty

Chief Executive Officer

53

Date of Appointment
10 February 2026

Work Experience
Albern has been leading the management team through the foundational years of integration following the merger of Celcom and Digi on 30 November 2022 as Deputy Chief Executive Officer and now as CEO. He brings over 25 years of leadership experience in the telecommunications industry, including 7 years as CEO of Digi. He has also held previous leadership roles at Digi including as Chief Operating Officer and Chief Marketing Officer, and as Executive Vice President and Head of Emerging Asia for Telenor Asia. His earlier experience includes business and commercial management roles at Lucent Technologies across the Asian region.

Qualifications
Albern holds a Bachelor of Science in Marketing and Advertising Management from Portland State University, Oregon, USA.



Datuk Kamal Khalid

Chief Strategy, Transformation and Regulatory Officer

54

Date of Appointment
1 December 2022

Work Experience
Datuk Kamal previously served as Chief Corporate and Transformation Officer at Celcom, overseeing regulatory affairs, legal, sustainability, community engagement, and the enterprise project management office. He also led the Merger Integration Team from July 2021 to November 2022. Prior to that, he held other senior leadership roles as Group Managing Director of Media Prima Berhad and Head of Communications at the Prime Minister's Office of Malaysia from 2003 to 2009. He currently services the Board of Digital Nasional Berhad (DNB).

Qualifications
Datuk Kamal holds a Bachelor of Laws (LLB) from the University of Nottingham, England.



Dennis Chia

Chief Financial Officer

57

Date of Appointment
2 January 2025

Work Experience
Dennis brings over 30 years of experience as a finance leader, having served as Chief Financial Officer at StarHub in Singapore for nearly 10 years until September 2024. Prior to StarHub, he held various senior CFO and finance leadership roles across the IT, semiconductor, automotive, and oil and gas sectors, including Senior Vice President and CFO at STATS ChipPAC Ltd and Vice President of Finance at Lear Corporation.

Qualifications
Dennis is a Chartered Accountant and holds a degree in Accounting from Nanyang Technological University, Singapore, and a Master of Business Administration in Marketing and Finance from University of Hull, England. Dennis is also an alum of the Harvard Business School, having completed the Advanced Management Programme in 2024.

Management's Profiles



Azmi Ujang

Chief Human Resources Officer

66

Date of Appointment
1 December 2022

Work Experience
Azmi previously served as Chief Human Capital and Organisation Development Officer at Celcom, leading end-to-end human capital management including workspace transformation and the development of a modern corporate office. He brings over 20 years of leadership experience, including having held senior roles at Maxis Berhad such as Senior Vice President, Head of Human Resources, and Head of Regulatory, Compliance, and Government Relations. He began his career in banking operations and human resources with Standard Chartered Bank.

Qualifications
Azmi has a Bachelor of Science in Finance and Master of Business Administration, both from Indiana State University, USA. He also completed London Business School's Management Programme and Harvard Business School's Advanced Management Programme.



Lau Yin May

Chief Customer Experience Officer

48

Date of Appointment
10 March 2025

Work Experience
Yin May was previously Group Chief Branding and Customer Experience Officer at Malaysia Airlines, where she played key roles in the airline's turnaround, strengthening customer experience, and corporate branding. She was previously part of the pioneer team at Firefly Airlines, leading the establishment of the airline and its travel division, Firefly Holidays. She brings over 20 years of experience across aviation, banking, hospitality, travel, and retail, and has held leadership roles at Taylor's Education Group, Mindshare, and Accenture.

Qualifications
Yin May holds a Bachelor's Degree in Business from Monash University.



Kesavan Sivabalan

Chief Technology Officer

57

Date of Appointment
1 December 2022

Work Experience
Kesavan was previously Chief Technology Officer of Digi and held a similar portfolio within Telenor Group's Developed Asia Cluster. Since joining Digi in 2013, he held senior roles including Chief Network Officer and Head of Technology Operations. He has over 20 years of telecommunications experience across Malaysia, Germany, Australia, Cambodia, Vietnam, and Bangladesh with vendors such as Lucent and Ericsson, and operators including Maxis and Vodafone, where he served as General Manager of Access Network at Vodafone Australia.

Qualifications
Kesavan holds a Bachelor of Business from Deakin University, Australia and a Master of Science in Enterprise Project Management from Stevens Institute of Technology, New York, USA.

Management's Profiles



Afizulazha Abdullah

Chief Enterprise Business Officer

58

Date of Appointment
1 December 2022

Work Experience
Afiz previously served as Chief Operations Officer (Technology) and Chief Enterprise Business Officer at Celcom. He spent 14 years at IBM Malaysia, rising to General Manager for the Public Sector. He later held leadership roles at Maxis Berhad, including Head of Broadband and Vice President, Maxis Home Services. Joining Celcom in 2011, he served in multiple senior roles before leading On-Site Services Sdn Bhd. Afiz is a certified Technologist with extensive experience in telecommunications and technology.

Qualifications
Afiz holds a Bachelor of Science in Computer Science from California State University, USA. Afiz has also attended executive education programmes at INSEAD.



Chew Theam Siew

Acting Chief Consumer Business Officer

54

Date of Appointment
1 December 2025

Work Experience
Chew is a seasoned commercial leader with extensive experience in consumer business strategy, product management, and customer insights. He previously served in multiple leadership roles, including Head of Product Management (Consumer) and Commercial Lead as part of the Celcom–Digi merger integration planning team, where he played a central role in driving product innovation, segmentation, and go-to-market execution.

Qualifications
Chew holds an MBA from the University of Leicester and has completed the Strategic Marketing programme at London Business School and executive programmes at INSEAD.



Cheng Weng Hong

Chief Sales & Retail Officer

47

Date of Appointment
1 December 2022

Work Experience
Cheng previously served as Chief Sales Officer at Digi. He spent 18 years in senior roles across the Marketing and Sales Division holding leadership positions including Head of Consumer Sales and Head of Retail and Controlled Channels, where he played a key role in modernising Digi's sales and distribution network. He also led initiatives in product development and the establishment of Digi's MVNO business. He brings over 20 years of telecommunications experience, including earlier roles at Trisilco Folec.

Qualifications
Cheng holds a Bachelor of Engineering (Civil and Computing) from Monash University, Australia.

Management's Profiles



Kugan Thirunavakarasu

Chief Innovation Officer

59

Date of Appointment
1 December 2022

Work Experience
Kugan was previously Chief Emerging Business Officer of Celcom, bringing over 25 years of experience in the telecommunications industry. Prior to Celcom, he served as Chief Marketing Officer of Smartfren Indonesia and as a board member of Sinarmas Digital Ventures, where he oversaw overall commercial operations. Earlier in his career, he held roles with Ericsson Sweden across Europe and North Africa, before taking on senior commercial and technology leadership positions at Digi, Astro, and Maxis.

Qualifications
Kugan holds a degree in Electrical Engineering from University Teknologi Malaysia and has completed executive management programmes at Columbia Business School and at Stanford in the USA.



Joachim Rajaram

Chief Corporate Affairs Officer

49

Date of Appointment
1 December 2022

Work Experience
Joachim was previously Chief Corporate Affairs Officer at Digi. Before CelcomDigi, he spent more than 14 years at Digi and Telenor, where he was Head of Communications at Telenor Myanmar, and Head of Communications and Sustainability at Digi. He has close to 30 years of experience in corporate communications, business sustainability, public affairs, and corporate governance.

Qualifications
Joachim holds a Bachelor of Laws (LLB) from the University of London, England and has attended executive education programmes at London Business School and INSEAD.

Notes:

1. None of the CelcomDigi Senior Management team have any familial ties with other Directors or major shareholders of the Company.
2. Except as disclosed in the Board Audit Committee Report, none of the CelcomDigi Senior Management team have any actual or potential conflict of interest, including interests in businesses in competition with the CelcomDigi Group.
3. Except as disclosed in Datuk Kamal Khalid's profile, none of the CelcomDigi Senior Management team hold directorships in public companies or listed issuers.
4. None of the CelcomDigi Senior Management team have been convicted of any offences within the past five years or received any public sanctions or penalties from regulatory bodies during the financial year, other than traffic offences, if any.
5. Shareholdings of the Chief Executive are disclosed on page 258 of the Integrated Annual Report 2025.

THREE-YEAR FINANCIAL SUMMARY

KEY FINANCIAL RESULTS (in RM million)

	2023	2024	2025
Revenue	12,682	12,679	**12,958**
Telecommunications revenue			
- Service revenue	10,859	10,792	**10,906**
- Others	108	110	**114**
- Sales of devices	1,715	1,777	**1,938**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)[1]	6,131	5,803	**5,473**
Earnings before interest and taxes (EBIT)	2,697	2,310	**2,672**
Interest cost	628	610	**588**
Profit before taxes	2,181	1,736	**2,103**
Profit after taxes	1,567	1,390	**1,530**
Organic capital expenditure (Capex)	1,812	2,710	**2,153**
Operations (ops) cash-flow	5,083	4,028	**4,419**

SHARE INFORMATION

Earnings per share (sen)	13.2	11.7	**12.9**
Dividend per share (sen)	13.2	14.3	**14.7**
Net assets per share (sen)	139.3	137.0	**135.1**
Dividend yield[2]	3.2%	4.0%	**4.6%**

Notes:
1 EBITDA excludes the gain or loss on:
- *disposal and write-off of property, plant and equipment*
- *termination of lease*
- *impairment loss on right-of-use assets*

2 Yield calculated based on annual dividend per share over closing price as at 31 December of reporting year

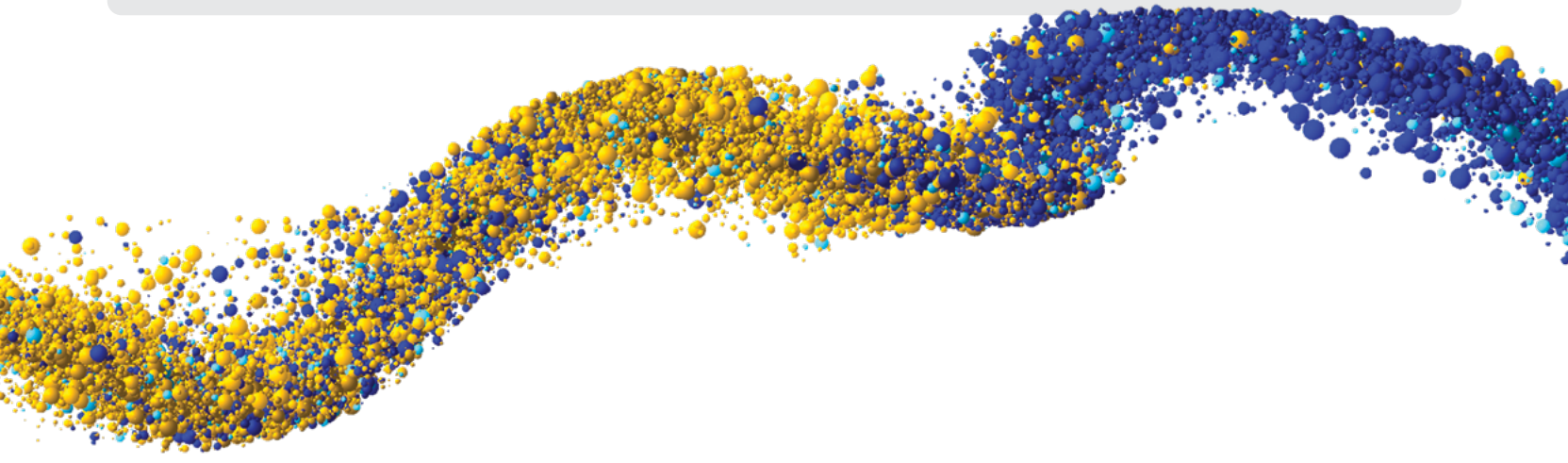
Three-Year Financial Summary

KEY FINANCIAL POSITIONS (in RM million)

	2023	2024	2025
Total assets	36,427	36,012	**36,878**
Non-current liabilities	12,546	12,822	**12,341**
Total debts	12,997	13,053	**13,854**
- Conventional borrowing	610	170	**418**
- Islamic borrowing	7,028	8,279	**9,273**
- Bankers' acceptances	5	15	**20**
- Finance lease	5,354	4,589	**4,143**
Shareholders' equity	16,459	16,190	**15,979**

KEY FINANCIAL RATIOS

Return on equity	10%	9%	**10%**
Return on total assets	4%	4%	**4%**
EBITDA margin	49%	46%	**42%**
Net debt/EBITDA (x)	2	2	**2**
Interest cover (x)	4.3	3.8	**4.5**



Curating exceptional experiences

Personalised customer engagement shaped by purpose and insight





Prashanthini Murthy (left), CSR Specialist, Sustainability, drives our S.A.F.E. Internet initiatives to advance digital safety in the age of AI, while Adrian Kuah Chin Hooi (right), Head of Next Gen Consumer, leads next-generation platforms that simplify connectivity and transform how customers engage with digital services.

VALUE CREATION MODEL

Approach To Value Creation

Our strategy in delivering on our purpose of 'Advancing and Inspiring Society' is integral to enable an inclusive and sustainable digital society. We create value by maximising the positive impact of our operations on all stakeholders. Strengthened by innovation, technology, connectivity, platforms, products, and services, we continue to transform the way our customers live and work.

OUR KEY INPUT

FINANCIAL CAPITAL

- RM37.4 billion market capitalisation as at 31 December 2025
- RM36.9 billion total asset value as at 31 December 2025

MANUFACTURED CAPITAL

- More than 14,500 network sites integrated
- 31,364km fibre network (incl. Celcom Timur Sabah)
- More than 10,000 retailing touchpoints including 61 new CelcomDigi retail stores, 206 CelcomDigi Express Stores and 2 CelcomDigi Store *Life* introduced

INTELLECTUAL CAPITAL

- Delivered campaigns to amplify CelcomDigi's brand visibility
- RM1.57 billion invested in CAPEX
- Up to RM250 million investment in Innovation Company over five years, from 2023
- Implemented an enhanced Privacy Management Framework

HUMAN CAPITAL

- 2,880 permanent and FTE employees
- Male (50%) and female (50%) employees
- Established CelcomDigi Academy, rolled out internal expert-led AI programmes and project-based learning
- Launched CD:NXT Programme: YTP, UniConnects, Student Ambassador Programme

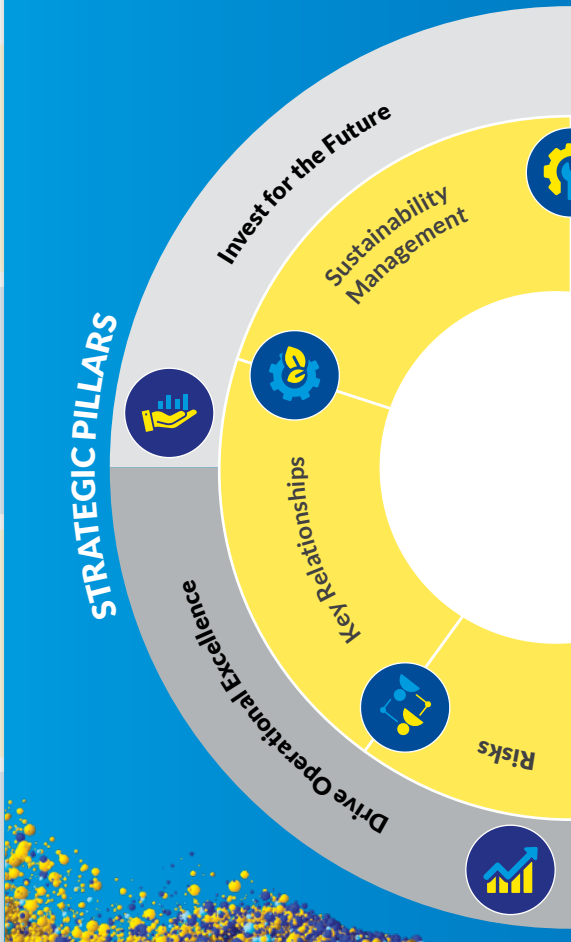
NATURAL CAPITAL

- Committed to Net Zero 2050, pending validation from Science Based Target Initiatives (SBTi)
- Robust climate data monitoring on AI-powered carbon platform
- Alignment with ISSB-informed climate risk considerations
- Expansion and refinement of Scope 3 emissions mapping

SOCIAL AND RELATIONSHIP CAPITAL

- Implemented social impact programmes (digital safety, digital inclusion, and digital skills) and humanitarian efforts
- 325 National Information Dissemination Centres (NaDi) nationwide
- Expanded partner training via CelcomDigi Knowledge Assessment Tool

OUR BUSINESS MODEL



ADVANCING & INSPIRING SOCIETY

Value Creation Model

Our Inputs

Our business model strategically leverages our financial and non-financial capitals to drive sustainable and innovative solutions, providing growth and total returns with added value for all stakeholders.

Output and Outcomes

Our business model converts financial, manufactured, intellectual, human, natural, and social and relationship capitals into valuable outputs for customers, employees, shareholders and the environment. The output and outcomes from the execution of our business strategies are also aligned to our material matters.



OUR KEY OUTPUT

Performance	Material Matters	UN SDGs

- **RM12.96 billion** in revenue
- **14.7 sen** dividend to shareholders

G1 EC2 S1

- Maintained more than **99%** network uptime
- Achieved more than **90%** of overall network integration target
- Increased data traffic more than **20%**
- **97.9%** 4G LTE and **95.6%** 4G LTE-A population coverage
- Achieved customer satisfaction score (CSAT) of more than **80%** across all channels and **>90%** for retail
- Network leadership validated by **Ookla's Speedtest Awards:** Malaysia's Best Mobile Coverage, Most Reliable Network award, Best Call Performance award alongside Opensignal Mobile Experience Awards: Best Games, Voice, Video, Download/Upload Speed, Coverage & Consistent Quality
- More than **5 million** new CelcomDigi App users

EC1 EC2 EC3 S1 S4 S5

- **20.6 million** subscriber base
- Grew home & fibre subscriber base to **316,000**
- More than **20 Brand-related awards,** strengthening brand leadership and perception
- **+8 point uplift** in customer perception as a "Trustworthy Brand" (Q4 2025 vs Q4 2024) – Brand Health Tracking
- **Converged 5G mobile and fibre offerings** drove digital adoption among Malaysian SMEs
- **Zero** cyber security breaches
- MY5G SME Digital Workshops empowered more than **1,500 SMEs** to digitalise faster and smarter
- **61** readily deployable 5G-AI solutions across eight key verticals

G1 G2 EC1 EC2 EC3 S1 S5

- More than **102,000 hours** of total employee learning
- **100% employee** established development plans & completed at least one development goal
- **Zero** Lost Time Injury Frequency (LTIF) rate
- **Zero** fatalities across operations
- **97%** participation rate, 86% in engagement scores and 90% in employee pride for Employee Engagement Survey (EES)
- Achieved proactive level under **NIOSH Safety Culture Evaluation** (Hudson Model)

G1 S2 S3

- **3,319,042 GJ** energy consumed
- **539,598 tCO_2e** Scope 1 & 2 emissions
- **15,262 GJ** renewable energy generated
- **4% reduction** in Scope 1 & 2 carbon emissions
- **22% reduction** in carbon intensity per data usage

G1 EC2 EN1

- **Zero** material corruption cases
- More than **10 million reaches** (online & physical) for digital safety through mass media and empowerment programmes
- More than **105,000 active users** on the Future Skills platform
- More than **31,000 hours** of supplier training
- **2,956** suppliers signed Agreement of Responsible Business Conduct (ABC)

G1 EC2 S4 S5 S6 S7

OPERATING LANDSCAPE AND OUTLOOK

Connectivity continues to remain central to Malaysia's digital economy, enabling people, businesses, and communities to thrive more than ever. Demand for reliable, high quality, and innovative digital services continues to grow, supported by increased adoption of cloud solutions, IoT applications, and data-rich experiences across all sectors and aspects of daily life.

CelcomDigi is strategically positioned to seize these opportunities through our modernised nationwide network, service reliability, competitive product offerings, consumer and enterprise connectivity solutions, and by delivering seamless digital experiences for all customers. The operating environment remains dynamic, reflecting evolving regulatory developments, technological advancements, geopolitical developments, and a stronger focus on cybersecurity and sustainability.

Looking ahead, our focus remains on strengthening Malaysia's digital ecosystem through targeted infrastructure investment, digital innovation, adoption of new technologies like AI, and cultivating an organisation that attracts and develops top Malaysian talents. Our commitment to operational excellence, coupled with efforts to build next-gen digital infrastructure and enable future-ready capabilities, will support national digital ambitions and drive sustainable, profitable growth in a competitive landscape.

1 MACROECONOMIC

Impact on Business and Industry

Malaysia experienced strong economic growth in 2025, supported by resilient domestic demand, stable labour conditions, and increased investment in high-value sectors. Key sectors including manufacturing, services, and construction drove solid growth, positioning Malaysia as one of Southeast Asia's fastest-growing economies.

- GDP expanded by 4.9%[1] YoY, led by the Services sector, with strong Manufacturing performance and double-digit growth in Construction. Household consumption remained a key growth driver, supported by rising wages and sustained employment
- Keeping the Overnight Policy Rate (OPR) at 2.75% helped keep inflation low and stable, while improved market sentiment strengthened the Ringgit to 10.2%[2] appreciation against the USD in 2025
- Fiscal consolidation measures including subsidy rationalisation, SST expansion, and the nationwide rollout of e-invoicing supported macroeconomic stability, while ongoing infrastructure projects and national master plans continued to attract investment in high-value sectors
- Global headwinds from higher US tariffs, geopolitical tensions, and weaker demand from China persisted, although electronics exports and tourism helped cushion the impact on trade

Our Response

- Direct GDP contribution through investment in nationwide 4G and 5G infrastructure, supporting capital formation, productivity gains, and long-term economic growth
- Strengthened domestic demand via operating expenditure, local procurement, and employment, generating multiplier effects across households, SMEs, and the broader digital ecosystem
- Enablement of business and SME growth by providing connectivity and digital solutions that enhance efficiency, competitiveness, and access to new markets
- Expanded the digital economy and encouraged inclusion by enabling widespread consumer participation in digital services, e-commerce, and online platforms through affordable and reliable connectivity

2026 Outlook

Malaysia's economy is expected to grow 4.0%–4.5% in 2026, supported by strong domestic demand, tourism influx from Visit Malaysia 2026, and continued investment in high-impact sectors, with macroeconomic stability and reforms from the Thirteenth Malaysia Plan underpinning medium- to long-term growth.

- Private consumption is expected to prevail as the main growth driver, supported by wage adjustments, targeted subsidies, and tourism activity
- Growth is expected to be driven by robust investment in high-value sectors, including AI, renewable energy, the digital economy, 5G, green technologies, and continued improvement in exports
- Budget 2026 and Madani Economic Framework continue to support economic growth and infrastructure spending, boosting job and business opportunities for enterprises
- The external outlook remains subject to global trade uncertainty, geopolitical tensions, and volatility in external demand

[1] *https://www.dosm.gov.my/portal-main/release-content/advance-gross-domestic-product-gdp-estimates-q425*
[2] *https://www.bnm.gov.my/-/qb25q4_en_pr#:~:text=Domestically%2C%20Malaysia's%20positive%20economic%20prospects,NEER%20appreciation%20was%20at%206.3%25*

Operating Landscape and Outlook

1 MACROECONOMIC (CONTINUED)

Factors Linked

Capitals Involved:	Materiality:	Strategic Pillars:	Risks:
	EC1 EC2 EC3 S5 S7		• Market and Competition Risk • Regulatory Risk • Vendor Management and Supply Chain Risk

2 COMPETITION AND INDUSTRY DEVELOPMENTS

Impact on Business and Industry

- The market is highly saturated, with 150% mobile penetration and over 10 operators (including MVNOs), creating intense pricing pressure amid a maturing subscriber base and moderating growth
- Rapid data consumption and aggressive pricing constrain profitability, posing long-term structural challenges for the sector
- Policies that affect operations and cost structures include SST, prepaid registration, MyDigital ID compliance, and higher 4G MSQoS requirements. The nationwide 5G rollout supports connectivity demand, while the dual-network policy creates potential incremental costs and influences competition and investment
- Emerging technology opportunities such as AI, automation, cloud, edge computing, and immersive platforms are opening new revenue streams, with data centre expansion, cloud integration, cybersecurity, and enterprise digitalisation presenting growth opportunities for telcos

Our Response

- Leveraged precision analytics and enabled “More for More” propositions to enhance revenue quality, scale value-added services, and strengthen customer engagement
- Continued nationwide network upgrades to boost 4G/5G coverage to 98% with average download speed >80Mbps, and enhance overall user experience
- Provisioned 5G services to 7 million customers across consumer and enterprise segments through refreshed postpaid and prepaid offerings, meeting rising demand for high-speed connectivity and 5G-enabled devices
- Delivered seamless, reliable experiences across all touchpoints, while scaling AI internally for efficiency and externally for enterprise solutions

2026 Outlook

- With 5G parity, telcos will focus on product innovation, customer experience, and seamless convergence to drive revenue quality and customer engagement
- Rising costs and margin pressures will be addressed through digital transformation, streamlined processes, and optimised operations
- Telcos will enable Malaysia’s digitalisation through AI, 5G Standalone, edge computing, and enterprise solutions, while prioritising cybersecurity, data privacy, and regulatory compliance

Factors Linked

Capitals Involved:	Materiality:	Strategic Pillars:	Risks:
	EC1 EC2 EC3 G2 S1		• Market and Competition Risk • Technology Risk • Cyber and Data Security Risk • Data Protection Risk

Operating Landscape and Outlook

3 GOVERNMENT INITIATIVES AND REGULATIONS

Impact on Business and Industry

- Amendments to the 2025 Communications and Multimedia Act (CMA) empowered the Malaysian Communications and Multimedia Commission (MCMC) with enhanced enforcement and stiffer penalties (up to RM1 million), ensuring tighter industry compliance
- The National Social Policy Action Plan (PTDSN) 2026–2030, launched in late 2025 as part of the Thirteenth Malaysia Plan (13MP), marks a shift from viewing digital tools as mere technology infrastructure to treating them as a core pillar of social wellbeing and human dignity. Under the MADANI Economy framework, the 'Raise the Floor' digital inclusion initiative aims to ensure no one is left behind by the digital divide
- The Online Safety Act 2025 regulates harmful online content and strengthens user protection (particularly for children) by imposing obligations for content moderation and cooperation with authorities on online service providers, including social media, messaging services, and digital platforms
- Licensing framework for Internet Messaging & Social Media Service Providers requires social media and messaging platforms with more than eight million registered users to be licenced under MCMC to improve online safety, especially against cyberbullying, child sexual crimes, and online fraud
- Amendments to the Personal Data Protection Act (PDPA) 2010 came into effect in 2025

Our Response

- Harnessed strategic opportunities to support government initiatives in shaping the national digital landscape in critical areas such as AI, data protection, cybersecurity, and digital inclusion
- Maintained ongoing engagement with regulators and authorities to support government initiatives as part of the overall MyDigital ID integration
- Ensured high business governance standards in combating scams, including advanced threat detection, real-time network-level filtering to minimise scam attempts, and periodic reviews of scam reports to identify new modus operandi
- Raised online safety and data protection awareness, and compliance with new standards and regulations to avoid non-compliance penalties
- Collaborations to drive digital healthcare and health tourism through telemedicine and immersive technologies, including the launch of initiatives such as MediRover in Sarawak to improve healthcare access in underserved areas and demonstrate the practical impact of telehealth
- Closely collaborated with the government to support national digital inclusion efforts through accessible *Rahmah*-aligned offerings and value plans for youth, senior citizens, disabled, and B40 communities
- Disseminated flash SMS flood alerts and deployed WiFi connectivity and relief packs for more than 800 families at flood evacuation centres, including post-recovery aid and equipment

2026 Outlook

- The National AI Office (NAIO) plans to develop an AI Technology Action Plan 2026-2030 to increase innovation and competitiveness within Malaysia's AI ecosystem
- The National AI Action Plan (2026–2030) bridges technology and social policy by promoting AI applications in healthcare, such as rural clinics telehealth and disaster response, and real-time modelling for flood-prone areas
- Sovereign AI Cloud is a RM2 billion investment to protect data sovereignty by ensuring sensitive national data is stored securely within Malaysia
- Effective January 2025, social media platforms with over eight million Malaysian users require a license in order to enhance safety for children and vulnerable groups in compliance with MCMC's lawful directions, including implementing network-level blocking orders when instructed
- Malaysia's Budget 2025 allocates RM2.55 billion to enhance telecommunications infrastructure by improving rural and educational internet access for public universities, schools, army camps, and MARA campuses, and supporting the creative economy
- The JENDELA2 initiative allocated RM780 million to expand broadband coverage to 2,700 new rural and remote locations
- Additional public consultation papers and guidelines will be issued by the Malaysian Department of Personal Data Protection (PDP) in relation to new or revised requirements under PDPA

Operating Landscape and Outlook

3 GOVERNMENT INITIATIVES AND REGULATIONS (CONTINUED)

Factors Linked

Capitals Involved:



Materiality:

EC1 EC2 EC3 G1 G2 S4 S5 S6 EN1

Strategic Pillars:



Risks:

- Regulatory Risk
- Cyber and Data Security Risk
- Data Protection Risk
- Climate and Environmental Risk

4 TECHNOLOGICAL DEVELOPMENT

Impact on Business and Industry

- Advanced AI integration and adoption, driven by national initiatives in digital infrastructure and workforce upskilling, transformed Malaysia's digital landscape
- 5G rollout, cloud, and edge computing gained traction, enabling real-time applications like IoT services, healthcare, and industrial automation
- The growth of digital platforms, APIs, and ecosystem partnerships expanded B2B and B2B2X business models, creating interdependence across industries
- IoT integration, robotics, and automation were at the core of IR4.0 strategy to support national digitalisation across various industries
- Data and AI became core strategic assets for enterprises, driving demand for scalable connectivity, secure data platforms, and AI-enabled services
- A shift towards using AI and real-time neural network for smart city initiatives and urban management to address specific urban challenges via predictive traffic congestion and dynamic traffic optimisation in Petaling Jaya in collaboration with Majlis Bandaraya Petaling Jaya
- As financial transactions moved online, there was a significant increase in sophisticated AI-related scams and fraud, necessitating more robust authentication methods than traditional passwords
- Expanding digitalisation heightened exposure to cybersecurity, privacy and data integrity risks, prompting stronger regulatory and governance requirements on cybersecurity resilience, data protection, IPv6 readiness, and critical national infrastructure robustness
- Logistics is the fastest transforming industry in adopting and enabling intelligent, connected, and data-driven operations through 5G connectivity, AI, and IoT solutions to improve operational efficiency, reduce downtime, and increase productivity
- Small and medium enterprises (SMEs) sought affordable ways to adopt AI to improve efficiency without the burden of heavy capital investment

Operating Landscape and Outlook

4 TECHNOLOGICAL DEVELOPMENT (CONTINUED)

Our Response

- Continued disciplined investment in 5G, fibre, and network modernisation to support demand for high-performance, low-latency, and secure digital services. Expanded population coverage and improved video and gaming experience through the Network Integration and Modernisation (NIM) programme, and developed new 5G SA services such as Network Slicing and RedCap
- Ongoing transformation of core infrastructure towards cloud-native, IPv6-ready, and AI-capable networks, improving scalability, performance, and operating efficiency. Integration of AI-driven network operation tools for predictive maintenance, automated fault resolution, and dynamic traffic optimisation to reduce mean time to repair (MTRR) and drive efficiencies in the operation landscape
- Strengthened network security and trust capabilities for consumers and enterprises via enhanced cybersecurity and digital safety. Deployed advanced threat detection and real-time network-level filtering to protect our customers from scam calls and malicious content
- Expanded AI, analytics and data-driven solutions to enterprise customers to improve productivity, efficiency, and customer management
- Enabled platform-based and ecosystem partnerships via APIs and digital services to support B2B and B2B2X growth
- Enabled national transition to a cashless and digital society through reliable, secure, and high-availability connectivity
- Supported government digital agendas and regulations by prioritising secure infrastructure, safer online environments, and broader digital participation. We provided the connectivity backbone for e-commerce, mobile banking, e-wallet adoption, and QR-based merchant transactions – particularly in underserved and rural communities reached through expanded mobile network coverage. The high availability network infrastructure, with carrier-grade redundancy and uptime, ensured uninterrupted access to digital financial services for both consumers and SMEs nationwide

2026 Outlook

National roadmaps to focus on nationwide scaling, commercialisation of AI solutions, and deeper ecosystem integration across diverse industries.

- AI-driven neural networks and 5G-enabled proactive urban mobility in traffic management, shifting from reactive systems to predictive models that optimise city-wide congestion control
- A movement towards SIM-Based Security leverages the SIM card's unique properties through standardised Network APIs, providing a stronger authentication layer than traditional OTPs
- 5G and satellite-powered roving clinics will provide real-time virtual consultations and AI-powered diagnostics, helping to bridge healthcare gaps for underserved communities in remote areas. Global standardisation of Network APIs (GSMA Open Gateway) is set to allow B2B sectors like hyperscalers, fintech and e-commerce to build secure, scalable applications, transforming telco networks into platforms for innovation. The emergence of "AI-as-a-Service" (AIaaS) models will allow SMEs to leverage AI solutions without large capital investment, boosting competitiveness and efficiency

Factors Linked

Capitals Involved:



Materiality:

EC1 EC2 EC3 G2 S1

Strategic Pillars:



Risks:

- Market and Competition Risk
- Technology Risk
- IT Risk
- Cyber and Data Security Risk
- Data Protection Risk

Operating Landscape and Outlook

5 SOCIAL

Impact on Business and Industry

- Intensified regulatory expectations and national digital priorities, including efforts to raise public awareness on scams, online safety, data protection, and digital inclusion
- Substantial funding allocated in the National Budget for connectivity and digital infrastructure expansion, including RM770 million for Point of Presence (PoP) projects to narrow the rural connectivity gap, RM780 million for JENDELA 2 broadband rollout, and RM350 million for NADI centres to raise digital literacy and spur entrepreneurship in rural areas
- Enhanced transparency and consumer control over mobile services, ensuring customers have clear visibility over pricing, data usage, and service terms
- Heightened sector-wide focus on employee wellbeing, responsible labour practices across supply chains, and strengthened governance and accountability standards
- Accelerated pace of automation and digital transformation are driving demand for higher productivity and a future-ready workforce, reshaping skills, roles, and operating models across the organisation
- Greater emphasis required on network disaster preparedness to ensure service continuity amid extreme weather, infrastructure vulnerabilities, and rising climate-related risks

Our Response

- Managed 325 National Information Dissemination (NADI) Centres for digital empowerment of rural communities
- Strengthened customer complaint handling, scam reporting, and escalation protocols via self-serve options
- Launched scam awareness and SAFE internet campaigns in partnership with the Ministry of Communications, Meta, and SAYS, aimed at training young changemakers and content creators to act as online safety advocates
- Initiated a new federated verification service in partnership with GSMA's Open Gateway initiative, helping online businesses combat fraud and digital identity theft
- Released MobileSHIELD solution, an AI-powered mobile security app that protects customers online
- Deployed the CD:NXT talent development programme to equip Malaysian youth with future skills in AI, cloud, cybersecurity, and data analytics
- Strengthened privacy, cybersecurity, and compliance practices through third-party maturity assessments and assurance
- Hosted annual Trust Circle forum to facilitate knowledge sharing among privacy and data protection experts across multiple sectors
- Empowered local SMEs via our Vendor Empowerment and Excellence Programme (VEEP), focusing on Sustainability and Health, Safety, and Environment (HSE)

2026 Outlook

- JENDELA 2 rollout targets 2,700 new locations, focusing on the most remote parts of Sabah and Sarawak
- An RM2 billion investment is funding the 3,190km undersea MADANI Submarine Cable (SALAM), connecting Johor to various points in Sabah and Sarawak, significantly reducing latency and increasing speeds for East Malaysia
- The National Social Policy Action Plan (PTDSN) 2026–2030 provides digital literacy training specifically for seniors and low-income groups, including integrated prevention strategies against online scams
- The National Cyber Ethics Module (ESN) is being rolled out to schools and community centres to foster "ethical digital citizenship," moving beyond technical skills to focus on online social responsibility
- National Information Dissemination (NADI) Centres have been repurposed into AI-literacy hubs to provide rural youths with training in AI and digital entrepreneurship, ensuring social mobility

Factors Linked

Capitals Involved:



Materiality:

EC1 EC2 S1 S2 S3 S4 S5 S6 S7

Strategic Pillars:



Risks:

- Regulatory Risk
- Vendor Management and Supply Chain Risk
- Data Protection Risk
- Health and Safety Risk
- People Risk

Operating Landscape and Outlook

6 ENVIRONMENT

Impact on Business and Industry

- In 2026, Malaysia's path to Net Zero by 2050 moved from high-level planning to a rigorous implementation phase. The strategy is now legally and financially anchored by the National Energy Transition Roadmap (NETR) and the 13th Malaysia Plan (2026–2030)
- The government's incentive strategy has shifted to drive adoption of "Made by Malaysia" electric vehicles. Charging infrastructure was rapidly deployed, achieving 10,000 public charging bays in 2025, in line with the Low Carbon Mobility Blueprint (LCMB)
- Smart energy systems and renewable energy platforms have become core economic infrastructure as part of the National Energy Transition Roadmap (NETR)
- The telecommunications sector remained a significant energy consumer due to network expansion, 5G densification, and rising data demand, reinforcing the need for energy efficiency, network optimisation, and responsible infrastructure deployment
- MCMC's MyTMAP2030 reinforced expectations for more efficient network deployment and responsible infrastructure planning
- Regulatory expectations have intensified, alongside rising stakeholder scrutiny on energy use and carbon emissions performance
- Climate-related disclosure requirements have been aligned with ISSB standards and transition planning expectations, increasing pressure on corporates to demonstrate credible decarbonisation pathways
- Stronger policy signals on energy transition, renewable energy adoption, and grid decarbonisation, alongside continued uncertainty over the pace and design of formal carbon pricing mechanisms
- Climate-related physical risks became more pronounced, heightening the importance of asset resilience and business continuity planning

Our Response

- Established Scopes 1, 2, and 3 greenhouse gas emissions baseline to guide decarbonisation, reinforce sustainable operational practices, and advance our SBTi-aligned commitments
- Improved the quality, completeness, and traceability of environmental data
- Initiated the process of developing science-based emissions reduction targets aligned with SBTi criteria
- Improved energy efficiency across our network and facilities through network modernisation initiatives, optimisation of legacy infrastructure, and enhanced monitoring of energy consumption
- Aligned climate disclosures with prevailing sustainability frameworks and peer practices
- Integrated environmental risk considerations into infrastructure planning, asset management, and business continuity planning
- Enhanced cross-functional collaboration between sustainability, operations, procurement, and finance teams to improve alignment and accountability

Operating Landscape and Outlook

6 ENVIRONMENT (CONTINUED)

2026 Outlook

- The commitment to Net Zero by 2050 is now anchored in the Thirteenth Malaysia Plan (13MP) and is being operationalised through two massive legislative shifts: the upcoming National Climate Change Bill, and the 2026 Carbon Tax rollout
- Malaysia is focusing on "Market-Based Decarbonisation," with the government using carbon pricing and legislation to force a shift in private sector behaviour
- As 5G and digitalisation continue to accelerate, energy efficiency and responsible infrastructure deployment will remain critical to managing both operational costs and environmental impacts
- Advancement of our science-based target-setting journey, including further development and refinement of emissions reduction pathways
- Evaluating renewable energy solutions and other low-carbon options to determine feasibility for implementation
- Strengthening resilience of critical network assets and service continuity
- Collaborating with priority network and IT suppliers to improve emissions transparency, data quality, and alignment on climate-related expectations

Factors Linked

Capitals Involved:	Materiality:	Strategic Pillars:	Risks:
	EC3 G1 S7 EN1		• Regulatory Risk • Vendor Management and Supply Chain Risk • Climate and Environmental Risk

KEY RELATIONSHIPS

CelcomDigi recognises that meaningful and ongoing engagement with our stakeholders is fundamental to success. Through transparent communication and strong, collaborative relationships, we gain deeper insights into their expectations and priorities. This enables us to align our strategies more effectively, drive shared value creation, and advance our purpose of 'Advancing and Inspiring Society'.

Frequency: D Daily W Weekly M Monthly Q Quarterly Y Yearly

BOARD OF DIRECTORS

Descriptor

Responsible for setting strategic priorities and providing management with guidance to act in the interest of the company and its stakeholders

Stakeholder Expectations

- Monitor financial and non-financial performance
- Govern shareholder interests and stakeholder expectations
- Transparent communication and timely updates on strategies
- Governance of regulatory compliance and listing requirements (e.g. NSRF, IFRS)
- Oversight on ESG-related matters and performance

Frequency

M Q Y

Engagement Channels

- Annual General Meeting
- Quarterly/Special Board meetings
- Board workshops (e.g. Strategy, Sustainability, Technology such as 5G and AI)
- Board Chair's One-on-One Sessions with Independent Directors
- Board and Leadership Effectiveness Evaluation
- Corporate events
- Board engagement activities (e.g. site visits to retail stores, stakeholder dialogues, networking sessions)

Our Response

- Updated the Company's purpose, strategy, scorecard, risks, and emerging opportunities
- Maintained accuracy, completeness, and consistency of disclosures
- Continued monitoring regulatory changes and governance trends
- Updated the ESG strategy, including climate ambition and action

Key Relationships

GOVERNMENT AND REGULATORS

Descriptor

Ministries, government agencies (at federal and state levels), and regulatory bodies responsible for establishing, implementing, and overseeing laws, policies, and regulatory frameworks that govern and shape the telecommunications sector

Stakeholder Expectations

- Support Budget 2025 priorities on digitalisation, telecommunications, and related national initiatives
- Oversight on measures pertaining to digital safety (online child safety, scam awareness) and inclusion (equitable access, digital gap, and coverage)
- Monitoring digital integrity and resilience (data protection, cybersecurity) strategies
- Full compliance with all regulatory standards and requirements
- Supporting national agendas such as the MADANI Economic Framework and the National Energy Transition Roadmap (NETR)
- Executing rollout of Jalinan Digital Negara (JENDELA) and Universal Service Provisioning (USP) initiatives
- Transparency, accountability, and readiness for future regulatory and technological developments (tax-revenue detection ability)

Frequency

W Q Y

Engagement Channels

- Regular reporting and periodic structured engagements
- Integrated Annual and Financial Reports
- Information and policy briefings with ministries and regulators
- Participation in regulatory consultations, industry forums, state agency meetings, and technical working groups
- Formal and informal engagements with key decision makers
- Company website and other public information channels
- Annual site audits, compliance reviews, and regulatory visits

Our Response

- Proactively engaged with the Ministry, regulators, and State stakeholders to ensure early alignment, continuous compliance monitoring, and seamless integration of regulatory requirements into operations
- Implemented enhanced data protection and cybersecurity frameworks in line with regulatory expectations and investment in cybersecurity and safety
- Executed nationwide campaigns and community workshops on S.A.F.E. Internet, scam prevention, and digital literacy
- Strengthened network infrastructure and accelerated nationwide deployment to meet JENDELA coverage and service quality targets
- Attended regular meetings with agencies at federal, state, and local council levels to improve nationwide connectivity and quality of service
- Delivering smart services at National Information Dissemination (NADI) Centres, including Future Skills training to support digital inclusion and workforce readiness

Key Relationships

CUSTOMERS

Descriptor

Our retail and enterprise customers who have subscribed to CelcomDigi's products and services. Enterprise Business customers include the public sector, large corporates, and SMEs

Stakeholder Expectations

- Consistent network experience
- Affordability
- Flexible plans
- Transparent billing
- Data security and privacy
- Responsive and efficient customer service
- Technology-enabled solutions to address complex business needs to drive efficiency, innovation and growth

Frequency

D W M Q Y

Engagement Channels

- In-person services via retail touchpoints
- Self-serve options via kiosks and mobile applications (CelcomDigi App)
- Social platforms and applications
- Customer service channels such as Whatsapp and Express Support
- Enterprise sales and support, dedicated account managers for direct and indirect channels, digital platforms, and customer service

Our Response

- Deployed widespread retail touchpoints operating 365 days, digital platforms, and self-serve kiosks
- Launched CelcomDigi Store *Life* designed as experiential hubs for customers to discover, experiment, and purchase the latest in connected technology
- Built a trusted brand proposition centred on fair and transparent business practices
- Established 'Trust Circle' forum with industry leaders to collectively advocate cross-sector responsible data practices
- Launched nationwide scam awareness campaigns and partnerships to educate and protect various customer segments.
- Launched the new CelcomDigi App
- Enhanced customer service channels via WhatsApp as a full-fledged support channel covering billing, roaming, fibre, network, Enterprise Business, and Express Support via retail stores and call centre

Key Relationships

EMPLOYEES

Descriptor

Individuals directly and indirectly (through contracted parties) employed by CelcomDigi

Stakeholder Expectations

- Performance management
- Career development opportunities
- Work-life balance
- Competitive compensation
- Recognition and appreciation
- Inclusive and diverse culture
- Healthy and safe work environment

Frequency

D W M Q Y

Engagement Channels

- Internal engagement and communication channels
- Leadership forums, training, and development
- Company events or activities and communication channels
- Forums and conferences
- Learning and development platforms and initiatives

Our Response

- Transitioned from company scorecard to individual scorecards, differentiating performance and driving high-performance culture
- Empowered CDzens through development platforms, initiatives, and reinforced messaging, establishing development plans
- Launched eight CDL/CDX forums for leadership alignment and development
- Reinforced access to 24/7 learning and launched state of the art CelcomDigi Academy
- Continued efforts to build a succession and talent pipeline, meet gender diversity targets, and execute various leadership development programmes
- Launched CD:NXT to cultivate young talents to join the Company
- Elevated Safety Culture with mental health and well-being initiatives
- Developed employee health ambassadors with first aid training
- Conducted annual compensation benchmarking exercise

Key Relationships

INVESTMENT COMMUNITY, FINANCIAL INSTITUTIONS AND RATING AGENCIES

Descriptor

Our shareholders, analysts and fund managers, providers of capital, and rating agencies

Stakeholder Expectations

- Robust financial and non-financial performance
- Effective leadership, transparent decision-making processes, and accountability
- Regular updates and communication
- Strong sustainability performance and environmental responsibility
- Potential collaborations across industries

Frequency

M Q Y

Engagement Channels

- Integrated Annual Report
- Annual General Meeting and/or Extraordinary General Meeting
- 1:1 Meetings
- Quarterly earnings calls
- Non-deal roadshows and investor conferences
- Corporate website
- Surveys and assessment reports

Our Response

- Strengthened market capitalisation, stock market performance, investment portfolio, and earnings consistency amid a highly competitive industry landscape
- Sustained effective cost-management strategies
- Instituted clear and timely communication on Company's strategy, risks, and performance
- Committed to achieving Net Zero and SBTi-aligned targets

COMMUNITY, SUSTAINABILITY PARTNERS AND NON-GOVERNMENTAL ORGANISATIONS (NGOS)

Descriptor

Collaborative partners we engage with, united by common goals of advancing our sustainability agenda to achieve Sustainable Development Goals (SDGs) and support the Malaysia Digital Economy Blueprint

Stakeholder Expectations

- Partnerships for impactful digital-related projects
- Efforts aligned towards UN SDGs
- Education and digital literacy programmes
- Emergency response and public safety

Frequency

M Q Y

Engagement Channels

- Programme collaborations and media advocacy
- Public engagements and forums via online and physical channels
- Collaborative research, surveys, academic studies, and consultations

Our Response

- Organised capacity-building programmes (Anti-Scam and S.A.F.E Internet workshops, GoIT and Future Skills training)
- Nurtured strong collaborations with like-minded partners
- Implemented smart services at the National Information Dissemination Centres (NADI)
- Activated internet access (Fixed Wireless Access), donations to care homes and relief centres, flood aid via humanitarian agencies, and flash SMS alerts (early warning system)

Key Relationships

MEDIA

Descriptor

Public and private agencies that cover print, broadcast and online media

Stakeholder Expectations

- Customer satisfaction
- Adherence to industry regulations
- Innovation and technology updates
- Industry thought leadership
- Crisis communication preparedness

Frequency

W M Q Y

Engagement Channels

- Press releases
- Strategic and operational media interviews and events
- Monitoring and sentiment analysis
- Formal and informal briefings
- On-demand requests for information

Our Response

- Featured stories highlighting customer satisfaction, successful service implementations, and innovative customer-centric approaches
- Procured expert opinions and contributing to industry discussions
- Provided media access to company events, product and programme launches, and major announcements
- Established partnerships on scam awareness campaigns

BUSINESS PARTNERS

Descriptor

All third parties the Group engages with, including:

- Suppliers and vendors (any manufacturer, contractor, consultant, and service provider)
- Distributors and franchisees
- Recipients of sponsorships, donations, and other contributions, including sustainability partnerships
- Business partners with digital or online business models involving revenue, platforms, or other sharing arrangements
- Merger and acquisition, joint venture, and divestment partners

Stakeholder Expectations

- Ethical business practices
- Mutually beneficial partnerships
- Access to resources (e.g. seamless technological integration)
- Training and enablement
- Market development support
- Fair and timely payment

Frequency

W M Q Y

Engagement Channels

- Exploratory meetings
- Tenders and commercial agreements or partnerships
- Regular check-in discussions
- Site inspections and audits
- Supplier training
- Product presentations

Our Response

- Enforced requirement for business partners to sign the Agreement of Responsible Business Conduct (ABC). Business partners are also legally bound to adhere to the Business Partner Conduct Principles (BPCP)
- Performed Integrity Due Diligence prior to onboarding business partners
- Created communication channels that allowed concerns of non-adherence to the ABC to be anonymously reported
- Spearheaded partnerships to enable next-gen connectivity solutions

KEY RISKS

As the nation's largest mobile network operator, we recognise that a robust risk management framework is essential for securing business continuity, generating sustainable growth, and delivering superior customer experience.

In adopting a proactive approach to risk management, we continuously assess shifts in our business environment, including emerging megatrends like AI and future technologies. This allows us to strategically prioritise resources to address these risks, safeguarding the value we create for our stakeholders.

Risk Management in Accordance with Strategic Goals

As the telecommunications sector evolves, we place enterprise risk management at the forefront of strategic decision-making and execution, strengthening our ability to identify, assess, and mitigate risks. Our integrated approach aligns strategy, governance, and performance processes to analyse emerging risks and implement appropriate mitigations. Oversight by the Board Governance and Risk Management Committee (BGRMC) and the Board of Directors (the Board) ensures significant risks are proactively managed to minimise strategic and operational impact. Further details of our Enterprise Risk Management Framework are provided in the Statement on Risk Management and Internal Control on page 134 of this report.

Key Risks of 2025

Key risks across the value chain are identified, prioritised, and managed based on their assessed impact and likelihood, ensuring they remain within acceptable levels. Senior Management monitors the effectiveness of risk responses and mitigation plans, with quarterly reporting to the Governance, Risk and Compliance Committee (GRC), the BGRMC, and the Board to maintain strong oversight, transparency, and accountability.

MARKET AND COMPETITION RISK

Description

CelcomDigi operates in a highly competitive market characterised by intense competitor activity and market pressures. Evolving market conditions continue to influence customer spending and wallet share. Rapid technological advancements are reshaping customer preferences towards digital connectivity, higher speed networks, and the availability of entertainment and enterprise solutions. To maintain our resilience, growth, and market leadership, we continuously monitor our operating environment and implement proactive strategies to anticipate and manage these risks.

Impact to Value Creation

- Intense competition causing erosion of market share
- Implications for growth and financial performance
- Potential impact on brand and reputation

Mitigations

- Drove innovations in our products and services portfolio, strengthening customer loyalty and reducing churn with differentiated offerings focused on sustainable and profitable segments and segmented marketing efforts
- Elevated customer experience across all interaction points, including retail, network, product, service, and support
- Enabled 5G across all new plans to drive adoption in consumer and business segments
- Improved collaboration with partners to effectively reach and acquire more quality customers through modernised partner stores and an enhanced distribution operating model

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC1 EC2 EC3 S1

Key Risks

REGULATORY RISK

Description

The telecommunications sector operates within a dynamic regulatory environment where evolving policies shape market conditions and industry development. Regulatory considerations influence areas that support the long term growth and sustainability of the sector, comprising spectrum access, quality of service standards, data protection, and cybersecurity, among others. These considerations are shaped by regulatory developments such as legislative changes, enforcement approaches, and shifts in operating models, all of which inform strategic planning and investment decisions across the sector.

Impact to Value Creation

- Impact on competitiveness and growth opportunities
- Influence on investments and cost strategies
- Uncertainty of future investments

Mitigations

- Strengthened compliance with the Quality of Service (QoS) standards to support regulatory adherence and minimise enforcement risk
- Maintained proactive engagement with regulators, industry players, and key stakeholders to anticipate regulatory changes and reduce implementation risk for prepaid registration requirements
- Proactively engaged with the regulator to deliver merger Undertaking commitments supported by structured governance and periodic reporting

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC1 EC2 G1 S1

TECHNOLOGY RISK

Description

We operate in an environment of rapid technological change and increasing digital complexity. The emergence and growth of AI presents both opportunities and risks for the business. In addition, our reliance on Digital Nasional Berhad (DNB) for nationwide 5G infrastructure amid the transition to a dual-network model, introduces fiscal challenges, operational, and implementation complexities.

Impact to Value Creation

- Intensifying competition across mobile offerings
- Impact on margins due to an increasing shift from our own 4G network to a wholesale 5G network
- Complexities in transitioning and adopting new technology infrastructure and services

Mitigations

- Proactively engaged with the government, regulators, and key stakeholders to secure a 5G policy and operating model that supports the long-term development and resilience of the sector
- Developed differentiated and competitive 5G solutions across customer segments, including enterprise-grade offerings
- Controlled technology expenditure to balance service continuity, support traffic migration to 5G, and mitigate the potential impact of rising infrastructure costs
- Strengthened governance oversight through responsible AI practices and robust cybersecurity and data governance controls
- Continuously built internal digital and AI capabilities, complemented by structured change management, to ensure effective technology adoption and operational readiness

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC1 EC2 EC3 G2 S1

Key Risks

IT RISK

Description

In line with our vision to become the nation's leading telco-tech company, CelcomDigi has embarked on a transformation journey to modernise our IT systems and create a cutting-edge technology ecosystem. The transitional period exposes us to potential disruptions in services due to factors such as migration delays, technical issues, cyber-attacks, and application or system failures.

Impact to Value Creation

- Implications on customer experience, brand and reputation
- Penalties from non-compliance with QoS requirements
- Revenue loss due to service interruptions to customers and distribution

Mitigations

- Augmented resources and specialists to improve scaling capability and operational efficiency
- Proactive assessment and thorough planning to address potential migration issues and unfavourable customer experiences
- Effectively engaged with partners and vendors to ensure commitment and business continuity
- Maintained constant communication with customers and key stakeholders

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC1 EC2 EC3 G1 G2 S1 S2 S7

VENDOR MANAGEMENT AND SUPPLY CHAIN RISK

Description

The increasing interconnectivity of telecommunications infrastructure underscores the importance of effective supply chain and vendor risk management in supporting resilience, business continuity, and security. CelcomDigi applies a structured approach to these considerations, including a diversified supplier base and resilient network infrastructure to ensure reliable service delivery. Ongoing geopolitical tensions in the Middle East are expected to affect global supply chains and technology availability. We closely monitor these risks and implement proactive mitigation strategies to minimise potential operational and service impacts.

Impact to Value Creation

- Operations and service disruptions leading to unfavourable customer experience
- Unavailability of critical network equipment impacting business continuity or delaying integration efforts
- Impact on service revenue

Mitigations

- Developed supplier relationship and post-contract management framework to strengthen vendor oversight, drive sustained performance, and safeguard business continuity
- Minimised supply chain risks by optimising procurement processes, diversifying supplier base, and embedding inflation and foreign exchange adjustment mechanisms within contractual arrangements leveraging technology-enabled solutions, including supply chain management systems and analytics, to support continuous compliance monitoring
- Integrated sustainability considerations into all aspects of supply chain management, including procurement, supplier relationships, and performance evaluation
- Established an independent integrity hotline for reporting any misconduct or human right violations

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC1 EC2 S1 S7 EN1

Key Risks

CYBER AND DATA SECURITY RISK

Description

CelcomDigi recognises the increasing sophistication of cyber and data security threats, including those amplified by AI-powered attacks, and remains vigilant in strengthening our network and IT architecture.

As the digital ecosystem evolves, attempts by threat actors to exploit vulnerabilities are becoming more complex, requiring a robust cybersecurity infrastructure and continuous efforts to enhance security resilience, protect stakeholder interests, and maintain operational and market confidence.

Impact to Value Creation

- Business disruption resulting in financial losses or setbacks
- Loss of intellectual property, including sensitive financial data and customer information
- Negative media exposure causing loss of reputation and eroding stakeholder trust
- Legal and regulatory risks and non-compliance consequences

Mitigations

- Conducted continuous security assessments and cybersecurity due diligence reviews on partners within CelcomDigi's ecosystem
- Deployed defensible security architecture to protect the network and critical systems, ensuring resilience and resistance to attacks
- Implemented continuous security monitoring, incident handling, and threat intelligence controls to enhance threat detection
- Consistently maintained high quality cybersecurity awareness and training across the organisation and value chain
- Continuous governance via ISO 27001 Information Security Management audits, independent maturity assessment, and vulnerability testing

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC1 EC3 G1 G2 S1 S4 S7

DATA PROTECTION RISK

Description

The rising prevalence of cyber incidents in Malaysia, combined with increasing third-party related vulnerabilities, underscores the critical importance of data protection. Advances in AI and other technologies have amplified potential data risks, including misuse, unauthorised access, and automated exploitation of personal information. As a trusted custodian of customer data, we remain committed to safeguarding privacy and security through robust risk management practices, ensuring compliance with regulations and maintaining stakeholder confidence.

Impact to Value Creation

- Reputational and legal risks as a result of non-compliance to the Personal Data Protection Act (PDPA)
- Breach of local telecommunications license conditions
- Customer distrust arising from reputational damage

Mitigations

- Administered the Privacy Control Framework with standardised controls across data lifecycle management
- Strengthened end-to-end data processing security and other customer data protection measures, including retention, transfer and disposal
- Monitored enterprise-level privacy compliance on a periodic basis to measure effectiveness of controls and align with latest regulatory requirements
- Conducted maturity assessments and e-learning programmes to enhance employees' and business partners' awareness and knowledge of data privacy and protection practices

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC3 G1 G2 S1 S4 S7

Key Risks

HEALTH AND SAFETY RISK

Description

Unmanaged workplace health, safety, and wellbeing risks pose a direct threat to CelcomDigi employees' operational resilience and long-term sustainability. We protect CDzens, our most valuable assets, and sustain business performance by prioritising investments in safety and prevention systems, emergency preparedness, and employee wellbeing.

Impact to Value Creation

- Unsafe working conditions leading to serious injury or fatality
- Destruction or loss of assets
- Reputational impact

Mitigations

- Actively monitored potential incidents and accidents through on-ground inspections and audits, with Board and Management oversight
- Implemented continuous training and awareness programmes covering Compliance, Privacy, Occupational Health & Safety (OH&S), Human Labour Rights, Sustainability, and Cybersecurity for employees and business partners
- Achieved proactive level in NIOSH safety culture assessment, benchmarked against the Hudson Safety Culture Maturity Model and validated by UKM
- Maintained ISO 14001:2015 Environmental Management System and ISO 45001:2018 OH&S Management System certification for a globally benchmarked safe working environment and compliance with applicable laws and requirements
- Maintained the globally recognised ISO 45003:2021 certification for Psychological Health and Safety at Work, and integrated ISO 45003:2021 with ISO 45001:2018 OH&S Management System to enhance psychological and physical safety of our employees

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC2 G1 S1 S2 S3 S7

CORRUPTION RISK

Description

CelcomDigi is committed to building trust by upholding the highest standards of integrity, governance, and ethics. We maintain a zero-tolerance policy towards bribery and corruption, as such practices compromise legitimate business activities, breach local laws, and expose CelcomDigi and its leaders to material legal, financial, and reputational risks.

Impact to Value Creation

- Reputational and legal consequences arising from non-compliance to the Malaysian Anti-Corruption Commission (Amendment) Act 2018
- Customer distrust and loss of confidence stemming from reputational impact
- Breach of local telecommunications license conditions

Mitigations

- Implemented measures across CelcomDigi to reinforce a strong anti-corruption control environment
- Enhanced company-wide awareness and capability through our compulsory OneCompliance Program, which comprises annual anti-corruption learning, affirmation of CelcomDigi's Code of Conduct, and Conflict of Interest Declaration. Implemented holistic governance oversight for business partners via due diligence processes and compliance controls
- Established an independent integrity hotline for reporting any misconduct or human rights violations

Strategic Pillars	Capitals Impacted	Materiality Linked
		G1 S1 S2 S7

Key Risks

CLIMATE AND ENVIRONMENTAL RISK

Description

Environment and climate-related risks continue to be a global challenge requiring businesses to embrace and adapt strategies to achieve a low carbon economy. We continue to play an active role in driving energy efficiency and clean energy adoption, while managing climate and environmental risks to minimise potential operational disruptions which may affect customer experience.

As climate-related risks including extreme weather, rising temperatures, and flooding become more prevalent, risk management and decarbonisation efforts are pivotal in delivering swift emissions reduction and transitioning to an environmentally responsible, low-carbon economy.

Impact to Value Creation

- Infrastructure damage and service delivery disruptions that impact our customers
- Impact on company finances
- Loss of investor confidence and ESG ranking in key indices
- Customer, brand, and reputational impact

Mitigations

- Committed to setting Science Based Targets Initiative (SBTi)-aligned goals to guide climate transition, mitigation, and adaptation strategies
- Conducted climate risk assessment to incorporate climate-related risks into overall risk management processes
- Implemented sustainability reporting and GHG data systems to meet Bursa Malaysia's requirements for adopting IFRS S2 climate-related disclosures, and aligned with the Task Force on Climate-Related Financial Disclosure (TCFD) framework
- Drove waste and e-waste management initiatives as part of our network integration and modernisation programme

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC2 G1 S1 S7 EN1

PEOPLE RISK

Description

We continue to invest in a strong employer brand, a cohesive company culture built on high performance, and the development of future-ready capabilities that equip, engage, and empower our workforce to deliver on transformation initiatives and long-term strategic priorities.

Impact to Value Creation

- Impact on innovation and delivery of strategic ambition
- Lower employee engagement and morale
- Inability to attract and retain the right talent
- Increase in talent attrition rate

Mitigations

- Talent development and succession planning within CelcomDigi to take on further roles and responsibilities
- Deployed targeted learning programmes to build key functional and leadership competencies
- Conducted an employee engagement survey for feedback
- Strengthened employer brand through career fairs, HR awards participation, and internal and external engagements such as the Young Talent Programme and CD Academy to nurture future-ready employees and build a deep talent pipeline
- Launched Culture Communication Programmes to build a value-driven and connected company culture, strategy and performance

Strategic Pillars	Capitals Impacted	Materiality Linked
		EC2 EC3 S2

STRATEGY

Strengthen Market Leadership	Enhance Customer Experience	Drive Operational Excellence	Invest For The Future

Three years post-merger, CelcomDigi is today a unified organisation with a clear long-term strategy delivered through execution discipline and corporate governance. Over this period, the Company has balanced two core priorities – driving sustainable financial and operational performance in a competitive market, and executing a large scale integration and transformation programme critical to becoming the most trusted brand built on customer excellence.

Through the integration programme, we have managed to drive our operating model, harmonise our operations, strengthen governance, optimise operating costs, improve operational efficiency and productivity, strengthen strategic partnerships, and enhance customer experience. In 2025, we commenced the final phase of the integration programme with a majority of initiatives completed, and the last phase of IT consolidation projects are projected to conclude by early 2027.

We have built a high performing organisation anchored in the CelcomDigi Way – a strong values-driven culture that supports execution and accountability across the business. We are now transitioning from the integration phase to steady-state business execution and delivery of our strategy. Our strategy has evolved to reflect this shift, with the focus areas detailed below providing a clear pathway towards sustainable and profitable growth.

STRENGTHEN MARKET LEADERSHIP

Our approach to sustaining market leadership is anchored on driving value-led growth across our core business segments, ensuring excellent go-to-market execution, leveraging digital capabilities to deepen customer engagement, and building a trusted brand that customers can rely on in an increasingly digital-first world.

1. **Execute for Growth and Market Leadership**
   - In the Consumer segment, our focus is to drive growth through high-quality, value-enhanced products tailored to specific segments, integrating connectivity and value-added services (VAS), and accelerating mobile/convergence adoption
   - In the Enterprise business segment, we focus on growing our mobile business, becoming the most reliable fibre connectivity provider, and scaling our solutions portfolio across the areas of cybersecurity, cloud, IoT, AI and 5G
   - Leveraging AI and analytics capabilities to drive customer engagement and deliver hyper-personalised offers to customers, ensuring relevance across customer segments

2. **Strengthen Go-to-Market Execution and Deepen Digital Engagement**
   - Accelerating digital-first engagement with the new CelcomDigi App as the primary channel to deliver value and drive future growth
   - Modernising and digitalising the sales ecosystem with AI and analytics capabilities, enabling frontliners to serve customers faster and more effectively
   - Driving data-led sales execution to ensure seamless delivery across all channels and enable more localised and competitive market response

3. **Trusted Brand Leadership**
   - Establishing the most trusted brand, built on customer excellence on the country's fastest, widest, and secure 4G/5G network
   - Delivering technologies that customers can rely on to strengthen digital trust, deepen customer relationships, and win customer loyalty
   - Executing our ambition of Trust and Customer Excellence by leveraging on harmonisation and CDzens

ENHANCE CUSTOMER EXPERIENCE

Our dedication to customer excellence is delivered through differentiated engagements across network, retail, product, and support experience.

1. **Network Experience:** Delivering the most reliable, high-performing network with the widest coverage, superior quality, and enhanced security to ensure customers stay secure, leveraging on our 4G and 5G services.

2. **Retail Experience:** Providing immersive connected lifestyle destinations for customers to discover the latest in smart living and to better serve their evolving digital needs. Our new experiential stores are the go-to for the latest in 5G and AI-powered devices, with the best mobile and convergence plans.

3. **Product Experience:** Enriching our portfolio with a broad range of mobile, convergence propositions, and digital VAS for consumers. We deliver tailored enterprise solutions in mobile, fibre, cloud, cybersecurity, IoT, and 5G.

Strategy

4. **Digital Experience**: Establishing a digital first strategy with the new CelcomDigi app as a core platform for growth and customer experience. The app integrates new capabilities to drive personalisation, revenue, loyalty, cross channel engagement, and adoption of digital products and services.

5. **Support Experience:** Delivering trusted 24/7 nationwide support that is AI-enabled, personalised, and accessible across both physical touchpoints and an expanded suite of digital channels.

DRIVE OPERATIONAL EXCELLENCE (OE)

CelcomDigi is committed to becoming the most efficient telecommunications provider in the region. Key operational excellence focus areas include simplification, new operating models, technology-driven structural changes, and fostering an organisation-wide OE culture to deliver on our ambitions and enable us to invest in new capabilities and innovations for future business growth.

1. **Leverage technology and innovation for business efficiency and service excellence:** Adopting advanced technologies and enhancing systems and capabilities to enable smarter, more efficient operations. Key initiatives include process automation, improving cost and resource efficiency, and progressing towards a near-zero touch operations environment.

2. **Streamline operating models to drive simplicity and efficiency:** Enhancing operational effectiveness by reducing complexity, eliminating duplication, strengthening agility and competitiveness, and establishing future-ready operating models. Through tighter vendor management, smarter resource allocation, network and IT optimisation, and better procurement strategies, we strengthened our cost structure to deliver sustained long-term benefits. The synergies from our integration programme continue to be central to these improvements.

3. **Drive efficiency and productivity:** Optimising operations, leveraging economies of scale in day-to-day business functions, and fostering a sustainable OE mindset across the organisation to maximise value and returns.

INVEST FOR THE FUTURE

We are future proofing the business through targeted investments in autonomous technology, AI and data driven capabilities, workforce excellence, and responsible operations.

1. **Future-proofing an autonomous technology foundation:** Building a modernised, fully automated. and resilient network and IT stack to better meet the evolving needs of our customers. This enables business growth, optimises operational efficiency and security, and accelerates innovation. Last phase of integration is expected to conclude by 2027.

2. **Accelerating AI, Data, and 5G innovation opportunities:** Advancing enterprise-focused 5G and AI solutions across private networks, IoT, APIs, and Insights as a Service, supported by investments in cloud. This gives us the ability to provide personalised journeys and better upselling capabilities.

3. **Building a high-performing and highly competent and future-ready workforce:** Developing organisational and people capabilities through continuous learning and also competency and leadership development, and fostering a performance and values-driven culture to build a resilient organisation that can adapt to change and execute strategy effectively.

SUSTAINABILITY
STATEMENT

CelcomDigi's vision of 'Advancing and Inspiring Society' is delivered through embedding responsible and sustainable practices across all parts of our operations. In 2025, guided by strong governance and ongoing stakeholder engagement, we focused on driving inclusive digital adoption, empowering communities, and building trust in an increasingly digital world.



CelcomDigi's Future Skills For All (FS4A) inclusivity programme in 2025 reached nearly 4,000 schools nationwide, and trained 150 special education teachers from national schools in coding and STEM skills.

Sustainability Statement

We continued rolling out efforts to promote digital inclusion, safety, and resilience, including Future Skills, S.A.F.E. Internet, nationwide scam-awareness, and our SafetyPLUS supplier programme, which advances human rights and health and safety standards across our supply chain. At the same time, we continued to modernise our network with energy-efficient, future-ready technologies.

During the year, CelcomDigi advanced digital inclusion, safety, and community resilience through structured programmes and partnerships. Digital safety programmes including our flagship S.A.F.E. Internet programme and media partnerships such as the *Kisah Benar: Scam Siber* television series produced by Media Prima, supported nationwide awareness on responsible online behaviour and scam risks. Concurrently, the Online Safety IRL campaign, in partnership with the Communications and Multimedia Content Forum of Malaysia (Content Forum), Meta Platforms, Inc., and Ratio:Cause, equipped media influencers and content creators with creative strategies to integrate awareness and preventive tips into their content, raising community resilience against online harm and scams. CelcomDigi's 2025 online and onground digital safety awareness campaigns impacted over 13.8 million Malaysians.

Digital capability initiatives such as Future Skills for All (FS4A), a scaled digital platform for piloted immersive AI, XR, and robotics-enabled workshops, in collaboration with the Ministry of Education, UNICEF, and Arus Academy, expanded access to future-ready skills. Corporate citizenship efforts also included flood preparedness, relief, and recovery support for over 50,000 affected families.

Governance and human rights practices were reinforced through the Code of Conduct, compliance learning, and a strengthened speak-up culture supported by the independently managed *speeki* platform. These were conducted both throughout the organisation at 100% completion rate, and across all key partners and suppliers. CelcomDigi's Anti-Bribery and Anti-Corruption (ABAC) framework and Business Partner Code of Practice (BPCP) set clear expectations for ethical conduct, including a zero-tolerance stance on forced and child labour. Human rights commitments aligned with the Universal Declaration of Human Rights (UDHR) were supported by ongoing Human Rights Due Diligence (HRDD) processes to identify, assess, and validate potential human rights risks and to confirm the effectiveness of existing controls.

105,057* active users on the Future Skills platform

570 students and 190 teachers
reached in Sarawak scale-up

82 teachers and 75 schools
engaged under the Inclusive Scale-Up

*(*assured by CelcomDigi's internal audit)*

To enhance transparency and strengthen environmental performance, we advanced process automation such as our AI-enabled Greenhouse Gas (GHG) data management, completed our Scope 3 baseline, and submitted our Science Based Targets initiative (SBTi) goals. Our FY2025 Sustainability Statement aligns with Bursa Malaysia's Main Market Listing Requirements (MMLR) and adopts the National Sustainability Reporting Framework (NSRF) with transition reliefs, and is targeted for full alignment with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards by FY2027.

Comprehensive data on supplier onboarding, adherence to the Agreement of Responsible Business Conduct (ABC), supplier training, inspections, audit findings, and local sourcing can be found in the ESG Performance Data Table on pages 82 to 87.

Employee health, safety and wellbeing remained a priority, with the goal of empowering wellbeing advocates by 2027. In doing this, we benchmarked progress against Josh Bersin's Healthy Organisation Maturity Model and the Hudson Safety Culture Model, achieving a Proactive Safety Culture maturity rating - and becoming the first company in Malaysia to be awarded ISO 45003 certification for psychological health and safety at work.

Audit / Evaluation	Results	Standard
OSH Policy & Manual Audit	Achieved Level 4/5	Internal Maturity Benchmark
Safety Culture Evaluation	Achieved Proactive Level	NIOSH & Hudson Safety Culture Model
ISO 45001 / 14001	Passed Surveillance Audit	Intertek

Comprehensive data on workplace incidents, training hours, and employee participation rates can be found in the ESG Performance Data Table on pages 82 to 87.

Sustainability Statement

Environmental performance and climate action continued to progress through network modernisation and low-carbon strategies. An efficiency study conducted across 212 representative clusters demonstrated the effectiveness of energy-efficient technologies and informed further optimisation efforts. These initiatives supported emissions reduction, resource efficiency, and infrastructure resilience.

Key achievements

7%
Energy efficiency improvement
949 MWh (2024) » **919 MWh** (2025)
achieved against **14% increase** in data traffic (17.7 million Gb)

- Deployed **energy-efficient** equipment
- **Decommissioned** redundant sites
- **Optimised resource** utilisation
- **Reduced** energy wastage
- Advanced radio technologies using: **Twin Beam, High-Order MIMO and Massive MIMO**
- **Improved energy intensity** by ~14.7%

Investments in FY2025 continued to prioritise:

- Network infrastructure modernisation, including the deployment of more energy-efficient equipment and sunsetting of legacy assets.
- AI-powered energy efficiency improvements across radio access networks, data centres, and transmission facilities.
- Enhanced energy performance monitoring, enabling more granular visibility of site-level energy usage.

Hybrid solar technology deployment

- Equipped at 47 sites (8 new sites identified for deployment in 2026)

Hybrid battery gensets installation

- Installed at 48 sites
- Reduced up to 40% of diesel consumption
- Remaining 65 sites have been identified under the Universal Service Provision (USP) programme, which will contribute to rural connectivity

Grid-connected solar deployment

- Deployed at 5 sites (7 new sites identified for deployment in 2026)
- Potential energy savings of 10–15%, depending on site space

Recognitions we received:

- 4-Star Lister recognition on the UN Global Compact Network Malaysia & Brunei ESG Select List
- Ranked top 50 in the National Corporate Governance and Sustainability Awards (NAGSA) 2025
- Received the Best Community Impact Award from Malaysian Dutch Business Council (MDBC) Innovations and Sustainability Awards 2025

2025 ESG Ratings

- FTSE4Good — Maintained **4-star rating**
- MSCI — Maintained **'AA' rating**
- SUSTAINALYTICS — Maintained **"Medium Risk" rating score of 23.5**

These collective efforts reinforce our role as a responsible and trusted enabler of Malaysia's digital future, delivering meaningful social impact while building a safe, inclusive, and sustainable digital ecosystem for all.

Sustainability Statement

A. INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB) SUSTAINABILITY STATEMENT

BASIS OF PREPARATION

This sustainability statement has been prepared in accordance with the IFRS Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (ISSB), in line with Bursa Malaysia's MMLR.

The statement should be read in conjunction with the Company's consolidated financial statements, which are prepared in accordance with the Malaysian Financial Reporting Standards (MFRS), IFRS Accounting Standards, and the requirements of the Malaysian Companies Act 2016. This report covers the financial year ended 31 December 2025, and is aligned with the reporting period of the related consolidated financial statements. The sustainability-related financial disclosures cover the parent company CelcomDigi Berhad, and all subsidiaries.

CelcomDigi is reporting under the IFRS Sustainability Disclosure Standards for the first time for the annual reporting period ended 31 December 2025. The Company has applied the following standards for the annual reporting period commencing 1 January 2025:

- IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'
- IFRS S2 'Climate-related Disclosures'

The MMLR provides transition reliefs for issuers listed on the Main Market of Bursa Malaysia. The Company has applied transition relief, whereby applicable:

- Comparative information under IFRS S1 Appendix E3 and IFRS S2 Appendix C3, except for metrics previously disclosed as set out in the Frequently Asked Questions document on the NSRF issued by the Advisory Committee on Sustainability Reporting
- Disclosure limited to climate-related risks and opportunities (in accordance with IFRS S2 Climate-related Disclosures), with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information applied only insofar as they relate to such disclosures
- Relief from disclosing Scope 3 GHG emissions

OVERVIEW OF THE COMPANY AND VALUE CHAIN

CelcomDigi's primary business activity is the provision of mobile, fibre, and digital connectivity services to consumers and businesses across Malaysia. The Company operates an extensive nationwide network infrastructure and offers a broad suite of telecommunications and digital solutions, including mobile voice and data services, home fibre, enterprise connectivity, cloud and cybersecurity solutions, and digital applications.

The Company's sole operating market is Malaysia, within which market revenue is generated from multiple service categories, driven by strong customer demand for reliable high-speed connectivity and digital services. The Company continues to expand its network modernisation efforts and digital capabilities to enhance customer experience and support Malaysia's digital economy.

CelcomDigi's business depends on a wide network of partners, suppliers, and stakeholders across the telecommunications ecosystem. This includes entities that provide network equipment, digital infrastructure, IT systems, devices, managed services, and logistics support. The Company also works closely with vendors, tower companies, and global technology partners to ensure efficient delivery of mobile and fixed connectivity, as well as digital services to customers nationwide.

Sustainability Statement

The table below summarises CelcomDigi's key upstream and downstream value chain relationships:

Upstream Value Chain		Geographical location
Network & Infrastructure Sourcing	Network equipment such as radio units, antennas, core network systems, fibre cables, transmission equipment, data centre infrastructure, and related components	
	Energy supply for network sites, data centres, and operations	
IT & Digital Systems	Software platforms including billing systems, Customer Relationship Management (CRM) platforms, cybersecurity tools, cloud services, and digital applications	
Subcontracting & Strategic Partnerships	Managed service partners for network operations, maintenance, field services, tower services, and site acquisition	
	Technology and innovation collaborations (e.g., cloud partners, cybersecurity partners, digital service providers)	
Logistics & Distribution	Transportation and warehousing of devices, SIM cards, network components, and retail supplies across Malaysia	

Downstream Value Chain		Geographical location
Customers	Mobile consumers (prepaid and postpaid), home fibre customers, and enterprise clients	
	Wholesale partners, Mobile Virtual Network Operators (MVNOs), and digital ecosystem partners	
Retail & Distribution Channels	CelcomDigi retail stores, dealers, device partners, e-commerce platforms, and enterprise solution channels delivering products and services to end-users	

Sustainability Statement

REPORTING BOUNDARIES

Reporting boundary (excluding GHG emissions)

The entities, assets, and operations (referred to as the 'reporting entity') included in the sustainability statement are the same as those included in the Company's 31 December 2025 financial statements.

Reporting boundary for GHG emissions

CelcomDigi uses the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (the 'GHG Protocol', 2004) to measure its GHG emissions. CelcomDigi's reporting boundary for GHG emissions includes its organisational boundary and operational boundary.

Organisational boundary

CelcomDigi applies the operational control approach to establish its organisational boundary for GHG reporting. The Company considers this approach the most appropriate, as it ensures that all operations, entities, and emission sources over which CelcomDigi has operational control and that are material to our footprint are fully included within the reporting scope.

Operational boundary

CelcomDigi categorises emissions into Scopes 1, 2, and 3 per GHG Protocol guidance. Direct GHG emissions from sources that are owned or controlled by businesses and operations within the Company's organisational boundary are reported as Scope 1 GHG emissions of the Company. GHG emissions from the generation of purchased electricity consumed by these businesses and operations are reported as Scope 2 GHG emissions of the Company. The Company's relevant portion of other indirect emissions arising from its activities are reported as the Company's Scope 3 GHG emissions.

JUDGEMENTS AND MEASUREMENT UNCERTAINTIES

In preparing this sustainability statement, CelcomDigi has identified the sustainability-related risks, opportunities, and material information that are most relevant to the Company's operations. Some disclosures also involve estimation methods, particularly where data availability, value chain dependencies, or forward-looking elements introduce uncertainty.

SIGNIFICANT JUDGEMENT

Materiality assessment (refer to pages 60 to 63)

Management considered sustainability topics that are reasonably expected to affect CelcomDigi's business, strategy, and stakeholders. This included evaluating the significance of risks and opportunities and aligning with industry-relevant standards.

GHG emissions calculation methods (refer to pages 73 to 75)

Appropriate estimation methodologies and data sources were used to calculate Scope 1, Scope 2, and relevant Scope 3 emissions, based on data availability and reliability.

For Scope 1 emissions, fuel consumption from leased generators is estimated based on fuel requirements determined by generator set capacity, which may differ from actual fuel consumption.

For Scope 2 emissions, electricity consumption was determined using a combination of actual utility invoices, where available, and estimated consumption derived by converting electricity expenses incurred for the year based on average tariff rates. These rates are calculated based on the estimated timing and region of consumption and may differ from actual tariff rates. The Company applied the average tariff rates across each region (Peninsular Malaysia, Sabah, and Sarawak).

MEASUREMENT UNCERTAINTY

Climate-related transition risk (refer to pages 65 to 70)

Estimating potential financial impacts related to climate transition, such as evolving carbon regulations, energy market dynamics, and supplier responses, carry significant uncertainty due to limited forward-looking data and dependency on external market developments.

GHG-related metrics (refer to pages 73 to 75)

CelcomDigi measures GHG emissions in line with the GHG Protocol, unless otherwise required by IFRS S2. Emissions estimates involve uncertainties arising from activity data provided by suppliers, emission factors from third-party sources, and instances where data must be estimated due to timing or completeness limitations.

Sustainability Statement

MATERIALITY ASSESSMENT

CelcomDigi recognises the pivotal role of identifying and addressing dynamic and material sustainability issues that evolve over time and integrating these perspectives into our planning and strategic decisions. We conduct annual materiality assessments to identify our material matters. These assessments incorporate stakeholder perspectives, current sustainability issues, and relevant industry and regulatory changes.

For FY2025, CelcomDigi prepared a sustainability statement aligned with the IFRS Sustainability Disclosure Standards. We conducted a comprehensive materiality assessment to identify sustainability-related risks and opportunities (SROs) that could reasonably impact our short, medium, and long-term prospects.

The process was led by the Sustainability Department with input from Management, and was validated by the Board Governance and Risk Management Committee (BGRMC). It involved identifying relevant sustainability-related risks and opportunities and related material disclosures.

The assessment focused on information that may influence decisions by investors, lenders, and other creditors. It also considered significant developments in the reporting period.

Step 1 Identification of Sustainability-Related Risks and Opportunities (SROs)

This structured approach identified SROs that could reasonably be expected to affect the Company's prospects, taking into account operations, resources, and relationships across the entire value chain, including upstream suppliers and downstream partners.

1.1 Understand the Company's Operations, Resources, and Relationships

Initial efforts focused on mapping CelcomDigi's operating model. This included:

- Business activities: Core operations in mobile and fibre connectivity, digital services, and network infrastructure
- Geographical footprint: Nationwide coverage in Malaysia with partnerships across regional and global markets for technology, equipment, and solutions
- Regulatory environment: Compliance with stringent regulations, spectrum licensing requirements, cybersecurity, and data protection laws, alongside global standards for cybersecurity, Health, Safety and Environment (HSE), and Environmental, Social and Governance (ESG) performance management
- Key resources:
  - Network infrastructure (towers, fibre, spectrum assets)
  - Technology platforms and equipment
  - Skilled workforce and strategic partnerships
  - Financial resources for capital-intensive network and IT investments
- Relationships: Collaboration with regulators, government agencies, technology and solution partners, vendors, NGOs, media, and customers to deliver reliable connectivity and digital solutions

1.2 Identify Risks and Opportunities

The Company assessed whether interdependencies between critical resources could create SROs. Sources of information included:

- Existing Enterprise Risk Management (ERM) processes
- IFRS Foundation guidance on IFRS S1 and S2
- Industry-specific disclosure topics (e.g., Sustainability Accounting Standards Board (SASB) for Telecommunications sector)
- Peer benchmarking and sector trends
- Stakeholder engagement

Sustainability Statement

1.3 Assess Impact on the Company's Prospects

We assessed SROs that could reasonably influence our ability to generate cash flows, secure financing, or manage cost of capital, and considered these as financially material for inclusion in the Sustainability Statement under IFRS S1 section. Assessment criteria included likelihood of occurrence and magnitude of financial impact if the risk occurs.

Approach: We assessed uncertain future scenarios by weighing possible outcomes, with precedence given to historically recurring risks in determining their likelihood.

Focus: These insights were visualised on a materiality matrix, enabling the prioritisation of the most critical drivers of value by focusing on factors with the highest impact and likelihood, without applying fixed thresholds.

Verification: Our internal view was cross-referenced with external perspectives from the financial community. This engagement reinforced our findings, as no further material risks or opportunities were identified.

1.4 Mitigation actions and plans to remediate

CelcomDigi adopted a consistent approach to disclose material SROs that were assessed prior to the application of prevention and mitigation actions.

1.5 Final Consolidation and Approval

The Sustainability Department consolidated the identified risks and opportunities, forming the basis of disclosures in this statement. These were subsequently presented to the Board Governance and Risk Management Committee (BGRMC) for validation and approval.

Step 2 Determining Material Information

Following this, we evaluated the SROs materiality for disclosure based on qualitative insights and quantitative data. These assessments are reviewed regularly at each reporting period to reflect the evolving sustainability landscape.

The SROs identified via this methodology are summarised in the table below.

Material Matters	Risk / opportunities identified	Summary of Management Approach	Affected component of the reporting boundary
Economic			
Network Quality, Reliability, and Continuity	**Risk** Service disruptions or network outages could impact customer trust and revenue.	• Continued investment in network infrastructure and 5G rollout • Implemented preventive maintenance and real-time monitoring systems • Strategised disaster recovery and business continuity plans	Risk identified for operations and value chain (e.g., technology partners)
Governance			
Data Protection and Cybersecurity	**Risk** Breaches, data leaks, or system exploitation by scammers could lead to regulatory penalties and reputational damage.	• Implemented robust cybersecurity and data protection frameworks, processes, and encryption protocols • Launched scam prevention measures, safety products, and customer protection initiatives • Conducted regular vulnerability assessments and penetration testing • Ensured compliance with data protection laws and global standards	Risk identified for operations and value chain (e.g., cloud service providers)

Sustainability Statement

Material Matters	Risk / opportunities identified	Summary of Management Approach	Affected component of the reporting boundary
Social			
Customer Experience and Satisfaction	**Opportunity** Enhancing customer experience can drive loyalty and revenue growth.	• Established a new Customer Experience (CX) division • Deployed AI-driven customer support and self-service platforms • Continued monitoring of Customer Satisfaction Score (CSAT) and customer feedback • Personalised digital offerings and service innovation	Opportunity identified for operations
Environment			
Climate Change Adaptation and Mitigation	**Risk** Extreme weather events may disrupt network infrastructure; regulatory pressure to reduce emissions.	• Adopted energy efficiency programmes and cleaner energy in network sites and data centres • Conducted climate risk assessments and infrastructure resilience planning • Committed to science-based targets and carbon emissions reduction roadmap	Risk identified for operations and value chain (e.g., suppliers)

Materiality Matrix

In line with IFRS Sustainability Disclosure Standards (SDS) requirements, CelcomDigi has conducted a financial materiality assessment, which considers matters that could influence our ability to generate cash flows, access funding, or maintain our cost of capital.

In addition, and on a voluntary basis, CelcomDigi has also applied a double materiality lens to enhance our broader understanding of sustainability impacts. This additional analysis, which is not required under IFRS SDS, considers both:

- **Financial Materiality:** Our ability to generate cash flows, access to funding, or maintain cost of capital.
- **Impact Materiality:** Significance of our impact on the environment, society, and stakeholders.

This dual focus allows us to address both financial value and the broader environmental and social impacts that matter to our stakeholders. Recognising the fast-changing industry landscape, CelcomDigi has refined its materiality matters to better mirror our strategic direction and stakeholder needs. We have sharpened the focus of our framework by consolidating, adding, and renaming specific matters. The result is a more robust, dynamic model that effectively bridges the gap between financial materiality and our wider social and environmental impacts.

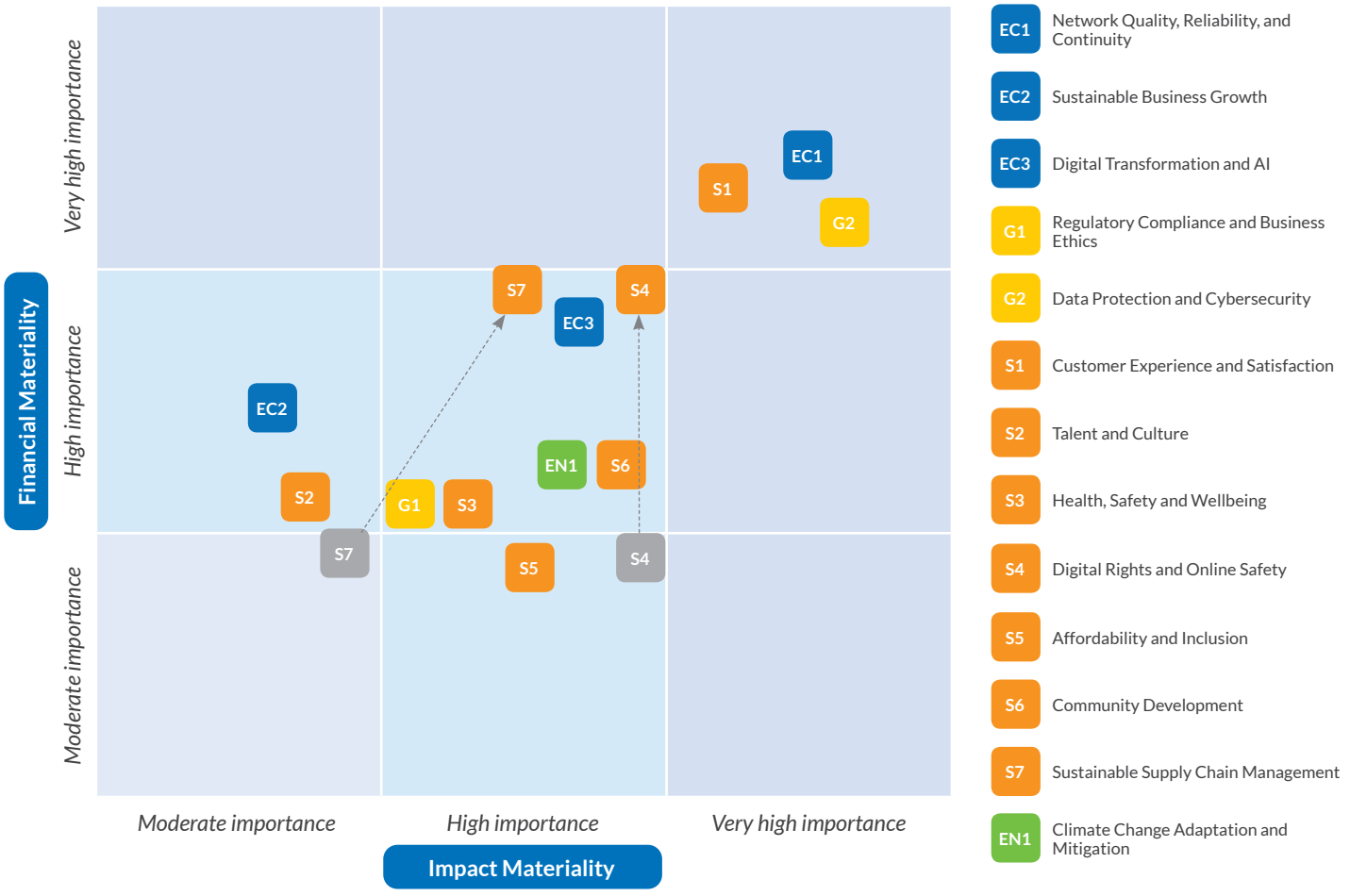
Information derived from this broader assessment is presented as supplementary context and does not replace or override disclosures determined to be financially material under IFRS SDS. The double materiality assessment did not identify any additional sustainability-related risks or opportunities beyond those already identified through the financial materiality assessment.

The definition and management of our material matters are detailed on our website.

Read more about our material matters at https://celcomdigi.listedcompany.com/sustainability_management.html.

Sustainability Statement

The matrix below plots 13 material matters across two dimensions: impact on stakeholders (horizontal axis) and impact on enterprise value (vertical axis). This enables CelcomDigi to prioritise issues that are critical for long-term business resilience, while ensuring transparency on matters that are most important to our stakeholders.



Material Matter	Status	Reason for Change
EC3 Digital Transformation and AI (EC3)	New addition	• Strategic tech adoption • Global AI competitiveness • Future readiness and regulations
S6 Community Development	New addition	• Digital inequality and AI divide • Education and empowerment • Market reach
S4 Digital Rights and Online Safety	Moved up in financial materiality	• New regulatory laws • Cyber threats • Consumer trust
S7 Sustainable Supply Chain Management	Moved up in financial materiality	• Global trade war and tariffs • Global ESG trends • Compliance risks • Operational resilience

Sustainability Statement

SUSTAINABILITY GOVERNANCE

CelcomDigi's sustainability governance structure is integrated into our corporate governance framework. The Sustainability Department governs and coordinates the implementation of the Company's sustainability initiatives.

Sustainability Governance Structure	
Board of Directors (Board)	The Board is ultimately responsible for the Company's strategic sustainability direction and oversight of sustainability-related risks and opportunities. The Board ensures that sustainability is integrated into the Company's overall corporate strategy and considers climate-related risks and opportunities when reviewing strategy, performance objectives, and risk management processes and policies.
Board Governance and Risk Management Committee (BGRMC)	The BGRMC oversees CelcomDigi's sustainability strategy, materiality assessments, targets, and reporting, ensuring climate-related risks are integrated into the Enterprise Risk Management (ERM) framework. Meeting quarterly, the BGRMC monitors performance and advises the Board on emerging sustainability issues. The Board maintains leadership by regularly assessing sustainability competencies. Directors appointed in 2025 have completed the Mandatory Accreditation Programme (MAP) Part I. All Directors have also completed MAP Part II on Leading for Impact, within the required timeframe. The Directors also participated in various continuous professional development activities, covering corporate governance, sustainability, and risk management, and attended role-specific programmes to support their responsibilities as Board or Committee Chairs.
Governance, Risk and Compliance Committee (GRC) CHAIR - CEO CFO, CSTRO, CCAO, CHRO Compliance, Internal Audit, Enterprise Risk Management, Sustainability	Chaired by the CEO and senior management, the Governance, Risk and Compliance Committee (GRC) strengthens CelcomDigi's sustainability and ethical frameworks. The committee meets regularly to manage non-financial performance and compliance, reporting quarterly to the Board via the BGRMC to ensure a culture of responsible business conduct.
Climate Working Committee (CWC) CO-CHAIR - CCAO, CTO Heads of Sustainability, ERM, Technology Strategy & Architecture, Network Engineering & Operations, Workplace & Procurement	The CWC, comprising heads from Sustainability, ERM, Technology Strategy & Architecture, Network Engineering & Operations, Workplace, and Procurement, supports the GRC in managing sustainability risks and opportunities. Meeting quarterly or as required, the CWC oversees: **Strategy and Policy:** Developing sustainability frameworks and materiality assessments. **Climate Action:** Implementing mitigation and adaptation strategies aligned with IFRS S2. **Decarbonisation:** Recommending initiatives to meet the Science Based Targets initiative (SBTi) near-term targets and Net Zero 2050 goals. **Reporting:** Producing climate-related disclosures and transitioning towards standardised financial impact reporting. **Operations:** Monitoring day-to-day execution of sustainability actions and climate scenario analysis.

Read more on the integration of sustainability governance into CelcomDigi's overall corporate governance framework in Section 5: Statement on Risk Management and Internal Control (SORMIC), pages 133 to 141.

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CelcomDigi's remuneration framework is overseen by the Board Nomination and Remuneration Committee (BNRC). At present, remuneration is not linked to climate-related KPIs. As the company further develops its climate strategy and KPI framework, the potential integration of climate-related metrics into future remuneration structures will be evaluated.

SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES

The processes and policies to identify and assess sustainability-related risks, including climate-related risks, are set out in the Materiality Assessment section of this statement (refer pages 60 to 63). The risk assessment process incorporates both qualitative and quantitative factors, and considers the nature, likelihood, and magnitude of potential risks.

Sustainability-related risks, alongside other risks for the Company, are identified through a materiality assessment. Once the sustainability-related risks and opportunities are identified, the Company implements a structured process to prioritise and monitor them. The GRC is responsible for identifying and managing company-wide risks. This process is integrated into the overall risk management framework of the BGRMC, which reports to the Board.

The GRC prioritises overall risks for the Company based on severity and likelihood, considering potential financial impacts, operational disruptions, and regulatory changes. These prioritised risks are considered and approved by the Board.

The Sustainability Department monitors sustainability-related risks and opportunities and tracks performance based on identified metrics and targets.

IFRS S2 CLIMATE-RELATED DISCLOSURES

Physical Risk

Extreme Weather Events Impacting Network Infrastructure

Overview

CelcomDigi faces physical climate risks from acute weather events (floods, storms) and long-term climate changes (rising temperatures). These threats can damage infrastructure, disrupt services, and inflate operational costs. Flooding in low-lying areas can damage network towers, while heatwaves strain data centre cooling, resulting in higher energy use and potential service outages.

Impact on Business Model and Value Chain

As physical climate risks increase in frequency, network reliability and customer experience are impacted. Adequate adaptation and scenario analysis are required to prevent risks such as financial loss, reputational damage, and regulatory penalties.

- Upstream: Emergency procurement of replacement parts and logistics disruptions during extreme weather events may increase costs and delay recovery.
- Core Operations: Network outages and equipment damage lead to revenue loss, higher repair costs, and penalties for service-level agreement breaches.
- Downstream: Service interruptions impact customer satisfaction and retention, especially for enterprise clients with critical connectivity needs.

Effects on Strategy and Decision Making

To address climate risks, CelcomDigi has implemented mitigation and adaptation measures aligned with its Sustainability strategy. These actions are organised into the following strategic pillars:

Strategic Pillars	Mitigation and Adaptation Actions
Network Resilience	• Conduct climate risk assessments for critical sites to identify flood-prone and high-risk areas • Physical elevation for vulnerable network sites or equipment • Implement flood-proofing measures at key facilities • Strengthen backup power systems and diversify energy sources to maintain service during outages
Emergency Response and Continuity	• Develop and conduct disaster recovery and business continuity simulations • Establish rapid response teams and stockpile critical spare parts for emergency repairs • Collaborate with local authorities for coordinated disaster response

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Transition Risk

Regulatory and Market Pressure to Decarbonise Operations

Overview

CelcomDigi monitors risks from shifting climate policies, compliance obligations, and rising stakeholder demands for decarbonisation. Insufficient adaptation measures may result in higher operational costs arising from regulatory carbon instruments (e.g., carbon taxes).

Impact on Business Model and Value Chain

- Upstream: Vendors and tower providers continue to explore pathways to decarbonise. The costs of these initiatives risk being passed on to CelcomDigi as vendors invest in green technologies.
- Core Operations: High energy use in networks and data centres are key contributors of Scope 2 emissions. Reducing these requires significant investment in renewable energy and energy efficiency equipment.
- Downstream: Enterprise clients and regulators are placing greater emphasis on transparent reporting. Falling short of these expectations could impact market presence.

Effects on Strategy and Decision Making

Strategic Pillars	Mitigation and Adaptation Actions
Energy Efficiency & Clean Energy Adoption	• Implement energy optimisation programmes across network sites and data centres • Increase use of clean energy through installation of on-site solar or hybrid solutions • Deploy high-efficiency equipment and AI solutions to reduce Scope 2 emissions
Carbon Reduction Roadmap	• Commit to science-based targets aligned with Malaysia's climate goals. Malaysia adopts an economy-wide absolute target covering all greenhouse gases and key sectors and aims to reduce 15-30 million tonnes of carbon emissions by 2035 from peak levels • Develop phased carbon reduction plans for Scope 1, 2, and relevant Scope 3 emissions • Monitor and report progress through transparent sustainability disclosures
Sustainable Procurement	• Embed environmental criteria into sourcing activities • Prioritise high-impact suppliers, collaborating for Scope 3 reduction, and setting clear supplier expectations

Financial Effects

Current financial effects

Physical Risk **Extreme weather events**

During FY2025, the Company made investments estimated at close to RM2 million arising from acute weather disruptions (floods, storms, heatwaves). These investments involve the following:

- Flood preparation and mitigation measures (e.g. additional generator sets rental)
- Elevation of tower plinths and structural reinforcements at flood-prone sites to mitigate future outage risk
- Emergency restoration of impacted tower sites
- Replacement and accelerated maintenance of weather-sensitive network equipment

Transition Risk **Regulatory and market pressure to decarbonise**

During the financial year under review, the Company also made an estimated RM48 million in decarbonisation-related investments, including:

- Cloud computing adoption and energy efficiency upgrades
- Clean energy adoption and leasing
- Internal capability building (e.g. deployment of smart energy meters and GHG management platform)

Anticipated financial effects

Over the planning horizon, the Company anticipates:

Physical Risk **Extreme weather events**

- Investments of approximately RM4-5 million per annum to harden infrastructure (e.g. tower elevations, flood-proofing) and repair infrastructure damage

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Transition Risk **Regulatory and market pressure to decarbonise**

- Investments of approximately RM50 million per annum for high-efficiency equipment, AI-solutions, cloud subscription, smart cooling, site modernisation, and on-site solar installations
- Compliance and assurance investments of approximately RM400k per annum for GHG management platform and assurance requirements
- Potential carbon tax exposure from 2027 onwards is anticipated to be within the range of RM8-15 million annually (assuming that both Scope 1 and Scope 2 emissions are subject to carbon tax) based on Malaysia's expected carbon tax and the Company's internal mitigation measures

Time horizons used

Short term » ≤ 12 months / FY2026 Medium term » 2–5 years / FY2027–FY2031 Long term » >5 years / FY2032 onward

The table below summarises the expected effects by financial position, financial performance, and cash flows, and indicates the financial statement line items to which amounts will be (or are) recognised. Ranges reflect scenario-based estimates and mitigation uptake assumptions.

In RM'000	Current financial effects	Short term financial effects (per annum)	Medium term financial effects (per annum)	Long term financial effects (per annum)
Financial position				
Property, plant and equipment	11,740	Between 15,000 to 20,000	Between 20,000 to 25,000	Note 1
Financial performance				
Operations and maintenance expenses	(38,210)	Between (35,000) to (40,000)	Between (35,000) to (40,000)	Note 1
Carbon tax			Between (8,000) to (15,000)	Note 1
Cash flows				
Cash used in operations	(38,210)	Between (35,000) to (40,000)	Between (43,000) to (55,000)	Note 1
Cash used in investing activities	(11,740)	Between (15,000) to (20,000)	Between (20,000) to (25,000)	Note 1

Note 1 – Due to inherent measurement uncertainty, CelcomDigi has omitted specific quantitative estimates. Future capital expenditure is expected to rise as the Company invests in network resilience and innovative solutions. While these investments will increase property, plant, and equipment (PPE) assets and cash outflows, it is also projected to enhance network reliability, service continuity, operational savings, and revenue growth. These long-term benefits will be partially offset by higher depreciation charges.

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Climate Resilience

CelcomDigi recognises the importance of our impact on the environment, evolving regulations, and weather-related challenges, and is committed to addressing these priorities responsibly. By upgrading our sites to withstand floods and heatwaves, and integrating smart solutions and clean energy, we have moved beyond historical vulnerabilities to ensure service reliability and increased operational efficiencies.

- **Resilient infrastructure:** Raising equipment off the ground at flood-prone sites and upgrading cooling systems for data centres to withstand heatwaves.
- **Smarter partnerships:** Working with partners to deploy energy-saving technology and hybrid solutions on-site.
- **Predictive maintenance:** Upgrades result in upfront costs, ensuring service reliability.
- **Clear goals:** CelcomDigi's sustainability strategy and decarbonisation roadmap guides emissions reduction and ongoing adaptation and mitigation initiatives.
- **Preparing for potential carbon taxes:** The impact from future implementation of carbon tax in Malaysia is expected to be partially mitigated through proactive energy efficiency programmes and cleaner energy adoption.

Climate-related scenario analysis

CelcomDigi conducts climate-related scenario analysis to assess the potential impact of both physical and transition risks on our operations. Drawing on data from authoritative international and regional sources, this analysis forms the basis of the Company's strategic planning across our operations. The Company reviews these scenarios annually to account for emerging uncertainties. While our current strategy effectively manages moderate climate risks, it is designed with the flexibility to scale adaptation efforts if more severe conditions materialise, ensuring long-term operational agility. Climate scenarios are categorised as either:

- High transition risk with low physical risk; or
- Low transition risk with high physical risk

CelcomDigi references the Intergovernmental Panel on Climate Change (IPCC) framework, which combines Shared Socio-economic Pathways (SSPs) and Representative Concentration Pathways (RCPs) — referred to as SSP-RCP scenarios — for climate modelling and projections. These scenarios represent differing future global conditions where mitigation and adaptation challenges vary from low to very high, and guide CelcomDigi's resilience planning and investment decisions.

To assess both extremes of climate-related risks, CelcomDigi performed scenario analysis using assumptions aligned with the IPCC SSP-RCP framework[1]:

- SSP 5-8.5: Low transition risk, high physical risk
- SSP 2-4.5: Intermediate scenario (most probable baseline)
- SSP 1-1.9: High transition risk, low physical risk

These scenarios were integrated into CelcomDigi's strategic planning process to evaluate potential impacts on network infrastructure, energy costs, regulatory compliance, and customer expectations.

Scenario 1:

Low carbon regulations, high GHG emissions and temperatures

(SSP 5-8.5) – High Physical Risk

This scenario assumes delayed global and national climate action, resulting in significant global warming and severe physical climate impacts. For CelcomDigi, this means:

- Increased frequency and severity of floods and heatwaves, causing higher risks of network outages and equipment damage
- Substantial investment required for infrastructure resilience (e.g., tower elevation, improved cooling systems)
- Minimal transition risk due to low carbon regulations, however operational costs rise sharply from physical disruptions and insurance premiums

Sources:

[1] *https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf*

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Scenario 2:

Moderate carbon regulations, moderate GHG emissions and temperatures

(SSP 2-4.5) – Intermediate Risk

This scenario reflects moderate global and national climate action, with emissions reduction and adaptation progressing inconsistently. For CelcomDigi, this means:

- Physical risks remain manageable but require ongoing resilience measures
- Transition risks increase moderately, with compliance costs for carbon emissions disclosure and procurement of renewable energy
- Financial impacts include steady capital expenditure (CAPEX) for energy efficiency and resilience upgrades, balanced by gradual operational savings

Scenario 3:

High carbon regulations, lower GHG emissions and temperatures

(SSP 1-1.9) – High Transition Risk

This scenario assumes aggressive global and national climate policies aimed at achieving Net-Zero by 2050, limiting global warming to 1.5°C. For CelcomDigi, this means:

- Physical risks reduce significantly, but transition risks escalate due to rapid regulatory changes and carbon tax
- Higher upfront costs for renewable energy adoption, energy-efficient technologies, and supplier decarbonisation
- Potential competitive advantage if CelcomDigi meets sustainability targets early

The results are summarised below, together with the impact of each scenario on the Company's strategy and business model:

Scenario	Short term (0-12 months)	Medium term (1-5 years)	Long term (beyond 5 years)
Scenario 1: SSP 5-8.5 (High physical risk) High GHG emissions in the absence of Government policies to combat climate change; global warming between 3.2°C and 5.4°C is projected by 2100.	Physical risk exposure: **Low to Medium** Transition risk exposure: **Low** Minimal regulatory pressure, but increased variability in weather events may cause localised outages and higher maintenance costs. Estimated PBT impact: Decrease by approximately RM50-55 million per annum.	Physical risk exposure: **Medium to High** Transition risk exposure: **Low** Intensifying floods and heatwaves drive higher CAPEX for tower elevation and cooling upgrades. Estimated PBT impact: Decrease by approximately RM60-65 million per annum.	Physical risk exposure: **High to Very High** Transition risk exposure: **Low to Medium** Significant investment in resilience measures; operational costs rise due to frequent disruptions. Estimated PBT impact: Decrease by approximately RM90-95 million per annum.
Scenario 2: SSP 2-4.5 (Intermediate) The most probable baseline scenario where social, economic, and technological trends do not shift significantly from historical patterns; a global temperature rise between 1.7°C and 3.2°C by 2100.	Physical risk exposure: **Low to Medium** Transition risk exposure: **Low to Medium** Moderate compliance costs for sustainability reporting and energy efficiency programmes. Estimated PBT impact: Decrease by approximately RM55-60 million per annum.	Physical risk exposure: **Medium** Transition risk exposure: **Medium** Gradual increase in renewable energy adoption and supplier engagement costs. Estimated PBT impact: Decrease by approximately RM75-80 million per annum.	Physical risk exposure: **Medium** Transition risk exposure: **Medium** Balanced investment in resilience and decarbonisation; operational savings begin to offset costs. Estimated PBT impact: Decrease by approximately RM75-80 million per annum.

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Scenario	Short term (0-12 months)	Medium term (1-5 years)	Long term (beyond 5 years)
Scenario 3: SSP 1-1.9 (High transition risk) A pathway that is contingent on global warming levels below 1.5°C, consistent with the goals established under the Paris Agreement; climate policies are introduced early and become gradually more stringent; shifts in customer behaviour are noted due to preference for sustainable products.	Physical risk exposure: **Low** Transition risk exposure: **High** Aggressive carbon regulations and early carbon tax increase compliance and procurement costs. Estimated PBT impact: Decrease by approximately RM60-65 million per annum.	Physical risk exposure: **Low** Transition risk exposure: **High** Significant CAPEX for renewable energy and energy-efficient technologies. Estimated PBT impact: Decrease by approximately RM85-90 million per annum.	Physical risk exposure: **Low** Transition risk exposure: **Medium to High** Operational savings from renewables and efficiency measures offset earlier investments; carbon tax exposure stabilises. Estimated PBT impact: Decrease by approximately RM75-80 million per annum.

Significant areas of uncertainty

There are several uncertainties and judgments involved in modelling climate-related scenarios and its potential impact on CelcomDigi's operations and financial performance. Key areas of uncertainty considered in the Company's assessment include:

- **Future Carbon Tax Levels and Timing of Implementation**
  Carbon tax in Malaysia, when implemented, will target energy-intensive sectors under the National Energy Transition Roadmap (NETR). The exact timing, national scope, and rates remain uncertain. Potential variations include:
  - Jurisdictional differences in coverage (e.g., sector exemptions, thresholds)
  - Implementation lag and enforcement mechanisms
  - Significant variations in assumed price ranges (e.g., RM15/tCO_2e to RM150/tCO_2e up to 2030) could materially affect CelcomDigi's cost exposure for Scope 1 and Scope 2 emissions. This assumption is critical for guiding estimations of future compliance costs and internal carbon tax strategy

- **Technological Viability and Cost of Low-Carbon Solutions**
  The feasibility and affordability of low-carbon technologies and renewable energy solutions remain uncertain. Factors include:
  - Speed of commercialisation as well as scalability of advanced network equipment and energy-efficient cooling systems
  - The speed at which a company can switch to low-carbon solutions often depends on local grid readiness and the ability to integrate energy storage
  - Local supply constraints for renewable energy and low-carbon materials could lead to prolonged cost premiums
  - Under high-transition risk scenarios, rapid adoption may strain supply chains, increasing CAPEX requirements and delivery timelines

Capacity to adjust or adapt strategy and business model

CelcomDigi's strategy and business model, including its mitigation plans and actions, are designed to remain flexible and responsive to evolving climate-related risks. These plans are based on the most probable baseline scenario (Scenario 2 – moderate risk) and take into account future developments. The Company's capacity to adjust is supported by the following:

- **Financial Resources and Flexibility**
  Over the next five years, CelcomDigi has earmarked approximately RM50-60 million annually for climate-related mitigation and adaptation initiatives, including cloud computing and clean energy adoption, energy efficiency programmes, and network resilience upgrades.
  - In the current fiscal year, approximately RM49 million has been utilised for cloud computing adoption, tower elevation, cooling system upgrades, and solar installations
  - These budgets are reviewed regularly, enabling reallocation as needed

- **Redeploying, Repurposing, and Upgrading Assets**
  CelcomDigi does not anticipate large-scale asset redeployment in the short term, as resilient measures are integrated into ongoing network modernisation programmes.

- Conventional upgrades (e.g., tower reinforcement, elevated plinths) will be delivered concurrently with scheduled maintenance cycles
- In the medium to long term, the Company will evaluate and decommission legacy system assets where necessary, ensuring adoption of new technologies and alignment with climate resilience and energy efficiency standards

- **Advancing Environmental action through targeted investments**
  CelcomDigi continues to invest in initiatives to enhance resilience, adaption, and mitigation for improving operational preparedness.
  - Deployment of cleaner energy and AI for weather pattern prediction at sites and data centres
  - Expansion of Electric Vehicle (EV) charging stations
  - Adoption of energy-efficient technologies and smart cooling systems to reduce operational emissions
  - Supplier engagement programmes to integrate low-carbon criteria into procurement processes

Processes, controls and policies to manage climate-related risks and opportunities

CelcomDigi embeds the identification, assessment, prioritisation, and monitoring of climate-related risks within its Enterprise Risk Management (ERM) framework, ensuring alignment with the Company's overall governance structure. This process covers both physical risks and transition risks, and is integrated into strategic planning and operational decision-making.

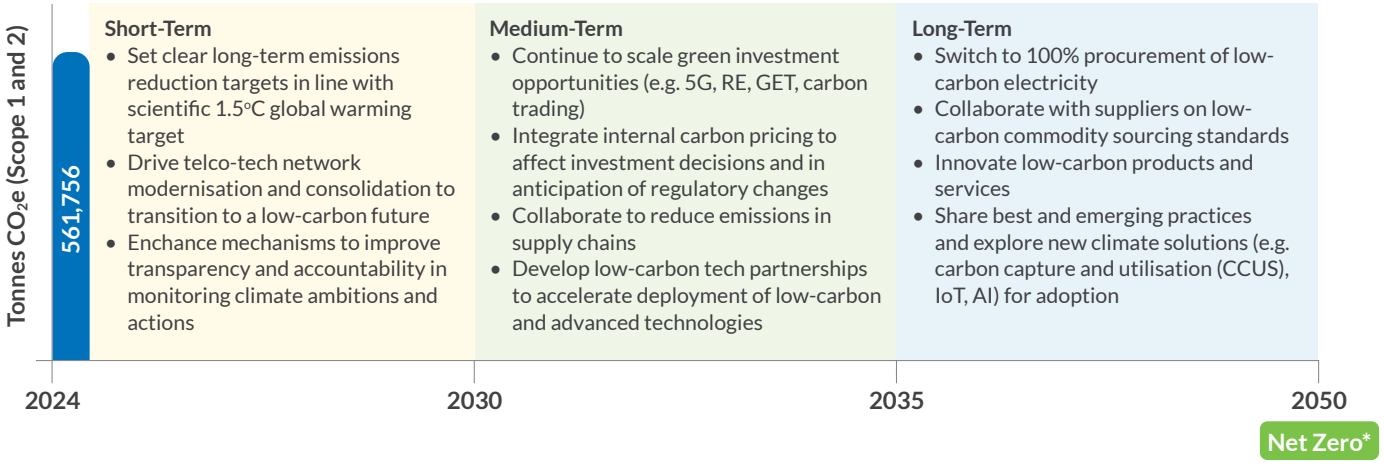
Key elements of the process include:

- **Structured Risk Assessment:**
  CelcomDigi applies a systematic approach to evaluate climate-related risks across its network and operations. This includes historical climate data analysis, vulnerability assessments of critical sites, and predictive modelling of potential impacts under different climate scenarios. Scenario analysis is a core tool, helping management understand implications of regulatory and market pathways towards decarbonisation.

- **Opportunity Identification:**
  In parallel with risk management, CelcomDigi actively identifies opportunities to strengthen its competitive position through sustainability initiatives. These include:
  - Expanding renewable energy adoption and energy-efficient technologies across network sites and data centres
  - Engaging suppliers to meet low-carbon procurement criteria and improve transparency in carbon emissions reporting
  - Leveraging digital tools for carbon emissions tracking and optimisation to enhance operational efficiency and reduce exposure to future carbon tax

By embedding these processes into its strategic planning, CelcomDigi ensures that sustainability is a core driver of long-term value creation, enabling us to meet evolving regulatory requirements, customer expectations, and market trends.

Overall decarbonisation targets and CelcomDigi's Net Zero Roadmap



* *The emissions reduction targets and related climate commitments disclosed in this report have been submitted to the Science Based Targets initiative (SBTi) and are currently pending formal validation. All stated forward-looking metrics, pathways and timelines may be subject to refinement following the completion of the SBTi review process.*

Sustainability Statement

Internal Carbon Tax

CelcomDigi is considering the implementation of internal carbon pricing as part of its climate risk management strategy. The Company recognises the importance of internal carbon tax as a mechanism to guide long-term investment decisions, support decarbonisation efforts, and anticipate future regulatory and market developments.

In line with Malaysia's recent announcement on carbon tax under the National Energy Transition Roadmap (NETR) and anticipated policy instruments, CelcomDigi plans to introduce an internal carbon tax mechanism in the near term. This approach will be embedded into our scenario analysis, capital budgeting, and procurement evaluations to reflect the anticipated cost of carbon abatement across the Company's operations and supply chain.

The internal carbon price will be benchmarked against prevailing and projected carbon tax rates in Malaysia and ASEAN markets, ensuring alignment with national climate targets and global low-carbon transition trajectories. The Company will review this approach progressively to incorporate regulatory changes, voluntary carbon market signals, and stakeholder expectations.

Metrics and targets (non-GHG emissions)

CelcomDigi has established short-, medium-, and long-term targets to address climate-related risks across our operations, with a focus on reducing operational emissions (Scopes 1 and 2), enhancing network energy efficiency, and strengthening physical resilience of critical infrastructure. These targets are set internally by the Company and aligned with national climate policies under the National Energy Transition Roadmap (NETR) and CelcomDigi's long-term Sustainability roadmap.

The emissions reduction targets and related climate commitments have been submitted to the Science Based Targets initiative (SBTi) and are currently pending formal validation.

Climate-related risks and opportunities	Description of metric	Methodology to calculate metric	Measuring unit	Actual metric			Targets
				2023	2024	2025	
Metrics from IFRS S2 Industry-based guidance (Telecommunication Services)							
Environmental Footprint of Operations (TC-TL-130a.1)	Total energy consumed*	Quantitative	Gigajoules (GJ)	3,288,564	3,227,688	3,319,042	The Company does not have any targets for these metrics.
	Percentage grid electricity	Quantitative	Percentage (%)	N/A	N/A	99	
	Percentage renewable	Quantitative	Percentage (%)	N/A	N/A	1	

* The total energy consumed includes renewable energy of 15,262 GJ. The total energy consumed, excluding renewable energy of A *3,303,780* GJ, has been subjected to limited assurance by PricewaterhouseCoopers PLT. Refer to the independent practitioner's limited assurance report included on pages 246 to 249.

Total energy consumption is measured using primary energy, expressed in gigajoules (GJ), to provide a consistent and comparable view of CelcomDigi's overall energy demand. Our energy use comprises purchased electricity, renewable energy, and other fuel-based energy carriers that support network operations and facilities. To ensure accuracy and comparability across all sources, consumption data is converted into GJ using standardised conversion factors.

Sustainability Statement

GHG EMISSIONS

Summary of gross GHG emissions

The table below summarises the Company's total GHG emissions for the year. There are no GHG emissions attributable to investees outside the Company's consolidated accounting group:

Absolute gross GHG emissions for the year

Metric tonnes of CO_2 equivalent (tCO_2e)	2023	2024	2025
Scope 1 GHG emissions	53,670	43,810	(A) **51,043**
Scope 2 GHG emissions	483,946	517,946	(A) **488,555**
Scope 3 GHG emissions*	282	4,350	**6,912**
Category 6 – Business travel	282	1,249	**1,704**
Category 7 – Employee commuting	N/A	3,101	**5,208**
Total Scope 1, Scope 2, and Scope 3 GHG emissions	**537,898**	**566,106**	**546,510**

(A) *These metrics have been subjected to limited assurance by PricewaterhouseCoopers PLT. Refer to the independent practitioner's limited assurance report included on pages 246 to 249.*

*CelcomDigi has applied the IFRS S2 transition relief for Scope 3 GHG emissions and is therefore not required to disclose them in the current reporting period. Nevertheless, the Company continues to disclose Category 6 (Business travel) and Category 7 (Employee commuting) on a voluntary basis as these categories were disclosed in the prior reporting period.

Our total Scope 1 and 2 GHG emissions declined by 4% year-on-year, driven by the ongoing network integration and modernisation activities. The consolidation of network infrastructure, decommissioning of legacy equipment, and deployment of AI-driven energy optimisation tools have enabled the network to deliver greater capacity while using less energy per unit of data traffic.

Activity data

For the measurement of emissions, the Company uses the following activity data:

- Scope 1[2] GHG emissions: Comprises mainly fuel consumption from leased and owned generator sets used for network sites. The quantity of fuel consumption from the leased generator sets were determined based on estimated fuel requirement of the generator set capacity; whereas quantity of fuel consumption from owned generator sets is based on actual utilisation of fuel from meter reading.
- Scope 2 GHG emissions: quantities of purchased electricity consumed based on invoices received from the Company's utility providers, where available, or converted from electricity expenses incurred during the year using the average tariff rate which is calculated based on estimated timing and region of consumption in the regions where the Company operates in.
- Scope 3 GHG emissions: the Company prioritises the use of supplier-specific data where available with sufficient quality.

For activity data that is not available on a timely basis, the Company uses estimates based on historical data. For activity data that are missing, the Company uses proxy data or the most recent industry-average data.

[2] Includes:
- Stationary combustion: Fuel consumption from generator sets under CelcomDigi's operational control and Liquefied Petroleum Gas (LPG)
- Mobile combustion: Fuel use from CelcomDigi-owned or controlled vehicles operated by employees
- Fugitive emissions: Refrigerant gases from HVAC (Heating, Ventilation, and Air Conditioning) equipment

Sustainability Statement

Scope 1, 2, and 3 Calculation Approaches

The Company calculates its Scope 1, Scope 2 and Scope 3 GHG emissions using the indirect measurement method as direct measurement is not available.

The Company calculates its Scope 2 GHG emissions under location-based methods. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (commonly using grid-average emission factor data). Reporting of both market-based and location-based emissions for CelcomDigi are the same, as no renewable energy certificate are currently being purchased.

Scope 1 – Fuel Combustion

Data inputs
- Fuel consumption at an equipment/fleet level
- Records of gasoline and LPG consumed
  i. Where actual fuel litres consumption is not available, estimation is calculated based on technology baseline from equipment manufacturer (e.g. generator set capacity)

Methodology
The first calculation is conversion of different fuel types to energy units. The higher heating value of a fuel is used to convert from physical units of the fuel into energy units in gigajoules (GJ). Emissions factors used are those from the UK Department for Environment, Food & Rural Affairs (DEFRA 2025) which provides a resulting emissions calculation, presented in tonnes of CO_2 equivalent.

Scope 1 – Refrigerants

Data inputs
- Records of refrigerant top-ups - consisted of the type of refrigerant used (e.g., R-22, R-410A), the amount recharged per facility (kg), and the reporting period (calendar year)

Methodology
Refrigerant emissions were calculated for facilities where CelcomDigi has operational control over HVAC systems. CelcomDigi tracks annual refrigerant recharge data at the facility level, including reporting dates, HVAC application and equipment types, and, where available, the specific refrigerant used. In cases where the refrigerant type is not available, a default type was assigned based on the HVAC application, with R-410A applied in most cases. The amount of refrigerant recharged during the reporting period is assumed to be equivalent to the amount leaked. This approach, noted as 'leakage calculation method = recharged amount', forms the basis of the emission estimate. Emissions are calculated by multiplying the recharge quantity (in kg) with DEFRA 2025 emission factors, resulting in tonnes of CO_2 equivalent.

Scope 2 – Purchased Electricity

Data inputs
- Combination of activity data and spend-based estimates
- Where actual kWh value is not available, the estimation is calculated through the following:
  i. Cost of Electricity from System Applications and Products (SAP)
  ii. Fixed Electricity Tariff (from RM value)
  iii. Electricity passthrough
  iv. Technology Baseline from equipment manufacturer (e.g. AC load, 2G/3G/4G)

Methodology
Reporting of both market-based and location-based emissions for CelcomDigi are the same, as no renewable energy certificates are currently being purchased. For non-network sites such as offices, retail stores, and other facilities where actual consumption data is available, electricity usage is recorded in kilowatt-hours (kWh) and used directly in the emissions calculation. For network-related sites and other facilities where direct activity data is not available, electricity consumption is estimated by back-calculating from spend amounts using the applicable tariff rates for each regional electricity grid. The resulting consumption data is mapped to each business facility and used as the basis for calculating Scope 2 emissions. Regional grid emission factors are applied based on facility location, following national reporting guidelines and published emissions intensities. These rates were based on the electricity suppliers TNB, SESB, and SESCO. Final emissions were calculated by multiplying the total grid electricity consumed by the applicable emission factor, referencing the Malaysian Grid Emission Factor 2022.

Scope 3 – Category 6 and 7

The Company calculates its Scope 3 GHG emissions using a combination of different calculation methods (see table below for details). Where allocations are necessary, value chain emissions are allocated using the physical allocation method except for specific categories where the economic allocation method is used. The physical allocation method allocates the emissions of an activity based on an underlying physical relationship between the multiple inputs/outputs and the quantity of emissions generated. The economic allocation method allocates the emissions of an activity based on the market value of each output/product. The economic

allocation method is used when physical data is not available or does not reflect the causal relationship between the activity measured and the resulting emissions. For the Scope 3 categories presented in this report, no such allocation between multiple outputs is required.

Emission factors

For the measurement of Scope 1 and Scope 2 (location-based) GHG emissions, the Company applies the most recent emission factors, using:

- Scope 1 emissions are calculated using emission factors published by the UK Department for Environment, Food & Rural Affairs (DEFRA)
- Scope 2 emissions are calculated using the Malaysia Energy Commission's 2022 Grid Emission Factor, representing the latest available national factor for purchased electricity across each region (Peninsular Malaysia, Sabah, and Sarawak)

These emission factors best represent the Company's activities. The methodologies, inputs, and assumptions used in measuring the Company's Scope 3 categories are as summarised below:

Emission sources	Method	Activity Data	Emissions Factors
Category 6 – Business travel	Distance-based and spend-based method	Air travel: passenger travel distance data BEIS flight EF were applied Land travel: mix of distance travelled and spend based data *Where distance data is not available on a reasonable basis, a spend-based method is used based on travel expenditure by mode.*	BEIS distance EF and US EPA spend based EF applied on distance data and spend data respectively
Category 7 – Employee commuting	Distance based method	Total number of employees was used to estimate the total employee commute distance *% split of FTEs per transport mode for the country is based on research by Malaysia's Center for Transportation Research at the University of Malaya. Generic datasets (research studies and Numbeo) are used as proxies where company-specific commuting surveys are not available; as a result, the estimates are subject to uncertainty and may not fully reflect individual employee commuting patterns.*	BEIS distance EFs

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Metrics and targets

As part of CelcomDigi's commitment to contribute to Malaysia's transition towards a low-carbon and net-zero economy, the Company has formulated GHG emissions reduction targets aimed at achieving alignment with globally established pathways (subject to SBTi review and validation). These targets outline a clear and measurable decarbonisation pathway across our operations and value chain, covering all material emissions sources within Scope 1, Scope 2, and Scope 3.

CelcomDigi's submitted targets are set to reflect the latest climate science, applying comprehensively across the Company's key emission activities. Our emissions reduction targets were set using a combination of:

- Cross-sector absolute reduction methodology; and
- Market-based accounting approaches

Under this approach:

- Gross GHG emissions across Scope 1, Scope 2, and Scope 3 are intended to reduce in line with science-based pathway.
- Scope 1 and 2 reductions are intended to follow an absolute contraction trajectory.
- Scope 2 market-based emissions reductions are driven primarily by increased procurement of renewable electricity, including market-based mechanisms such as RECs and long-term renewable power purchase agreements.

CelcomDigi plans to review its emissions-reduction targets after five years to ensure they remain aligned with the latest climate science and guidance from independent experts. Targets may also be updated earlier if there are significant changes to our organisational boundaries, data quality, and methodologies, or if baseline emissions for Scope 1, Scope 2, or Scope 3 change by more than ±5%.

As part of CelcomDigi's long-term net-zero emissions goal, we aim to neutralise residual emissions that cannot be reduced through operational improvements or value-chain decarbonisation. These residual emissions may be addressed through the use of high-quality carbon removals, or future solutions in line with the SBTi Corporate Net-Zero Standard[3].

Source:

[3] *https://files.sciencebasedtargets.org/production/files/Net-Zero-Standard.pdf*

Sustainability Statement

Statement of Assurance

Assurance Undertaken

In strengthening the credibility of our reporting, selected parts of this Sustainability Statement have been subjected to the following:

a) an internal review by CelcomDigi's internal auditors; and
b) independent assurance for selected indicators in accordance with recognised assurance standards

The scope, subject matter(s) covered, and relevant conclusion(s) (where applicable) are provided below:

Type of Assurance	Subject Matter	Scope	Conclusion
Independent assurance	4 Selected Sustainability Information: **Climate** • Scope 1 emissions • Scope 2 emissions • Total energy consumption (excluding renewable energy) **Non-climate** • Lost Time Injury Frequency ("LTIF") Rate	**Climate:** Independent limited assurance in accordance with the IFRS Sustainability Disclosure Standards relevant to the preparation of the Selected Sustainability Information. **Non-climate:** Independent limited assurance in accordance with the applicable criteria set out in Note (b) in the "ESG Performance Data Table" on pages 82 to 87.	The independent limited assurance report by PricewaterhouseCoopers PLT can be found on pages 246 to 249
Internal review	4 Sustainability Indicators: • Customer Satisfaction Scores (CSAT) (%) • Number of new suppliers signing CelcomDigi's Agreement of Responsible Business Conduct (ABC) • Employees receiving anti-corruption training (%) • Number of enrolments in Future Skills for All (FS4A) programme (31 Dec 2025)	The review assessed the accuracy and completeness of the selected Sustainability Indicators against the source data and to the applicable criteria set out.	Not applicable

CelcomDigi Berhad

IFRS S2

Date & Time: 2026-04-01_16:21:00

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	51043	—	External (Limited)
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	488555	—	External (Limited)
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	1704	—	No assurance
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	5208	—	No assurance
Climate	Total energy consumed (TC-TL-130a.1)	GJ	3319042	—	No assurance
Climate	Percentage grid electricity (TC-TL-130a.1)	%	99	—	No assurance
Climate	Percentage renewable (TC-TL-130a.1)	%	1	—	No assurance

Sustainability Statement

B. OTHER SUSTAINABILITY-RELATED FINANCIAL INFORMATION

As the Company continues to enhance its sustainability reporting processes, data systems, and governance, we are progressing towards achieving full compliance with IFRS S1 by FY2027.

NETWORK QUALITY, RELIABILITY, AND CONTINUITY

CelcomDigi ensures reliable digital infrastructure and service delivery through proactive risk management and disaster recovery planning. Our approach integrates network consolidation, resilient architecture design, AI-enabled predictive maintenance, stringent cybersecurity governance, and disciplined operational processes, all of which collectively ensure service continuity and delivers on national digital connectivity expectations.

Strategy

CelcomDigi has strengthened network resilience through strategic modernisation and efficiency initiatives. Key highlights include consolidating 90% of the Radio Access Network (RAN) across more than 14,500 sites which boosted 4G speeds by 20% nationwide, enhancing connectivity and service quality for customers nationwide. AI-enabled optimisations, including battery prediction, congestion balancing, and predictive assurance, have strengthened network stability while improving energy efficiency.

Potential financial impacts include revenue loss during service outages (estimated at RM35k per site for major disruptions) and potential penalties arising from non-compliance with Mandatory Standards on Quality of Service (MSQoS), which could reach up to RM1 million per site per incident. During the year, actual financial investments amounting to RM864 million were directed towards strengthening network resilience, advancing 5G service innovation and readiness, and scaling AI- and automation-driven capabilities. These initiatives helped mitigate operational risks, reduce long-term maintenance costs, and enhance service quality to protect customer experience and future revenue stability.

Risk Management

We mitigated integration and operational risks by implementing network upgrades in stages, with thorough checks conducted before each rollout. Regulatory risks, particularly compliance with Malaysian Communications and Multimedia Commission's (MCMC) minimum speed requirements, are proactively managed through timely corrective actions. Cybersecurity risks are minimised through a Zero Trust framework, regular vulnerability testing, annual cyber-attack simulations, and clear processes that guide us from containment to full recovery.

Metrics and Targets

Indicator	Measuring unit	2025	Target
Network availability	%	>99%	N/A
Customer Network Experience Score (CNES)	%	>75%	>75%
RAN Sites consolidation	%	90%	N/A
4G Speed uplift	%	20%	N/A

DATA PROTECTION AND CYBERSECURITY

CelcomDigi is committed to protecting personal and sensitive information, enhancing cybersecurity readiness, and maintaining stakeholder trust through robust controls, clear governance, and proactive risk management.

Strategy

Key risks include data breaches, emerging cyber threats, and potential regulatory penalties, while opportunities arise from strengthening our privacy and cybersecurity posture to gain competitive advantage. These considerations guide strategy in:

- Privacy-enhancing tools, privacy-by-design, and trust-building programmes
- Multi-layered cybersecurity strategy featuring Endpoint Detection and Response (EDR), next-gen firewalls, Domain Name System (DNS) filtering, and encryption
- Enhanced incident-handling SOPs for ransomware, phishing, and business email compromise (BEC) with Security Orchestration, Automation, and Response (SOAR) integration for accelerated containment

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Strategic initiatives include:

- Monitoring effectiveness of privacy controls annually, such as business partner and data lifecycle management
- Achieving a maturity rating of 2.0 and 3.05 for privacy and cybersecurity respectively
- Refreshing e-Learning materials for employees
- Conducting a National Privacy Awareness Survey
- Hosting a Trust Circle for over 100 industry professionals

In FY2025, CelcomDigi spent more than RM700,000 on internal and external data protection initiatives, with total investment expected to reach RM2 million over the next three years. Potential financial implications from non-compliance with the Personal Data Protection Act 2010 (PDPA) may include fines of up to RM1 million. In addition, more than RM80 million was spent on maintaining existing AI tools for network protection and endpoint protection, security monitoring and scanning tools, and cloud-based AI scanning tools. In 2026, the Company plans to invest up to RM20 million in advanced security initiatives, including AI-enabled security tools, Human Risk Security management, and next-generation threat vigilance capabilities.

Risk Management

Risks are identified through annual privacy and security risk assessments, Security Operations Centre (SOC) monitoring, vulnerability scanning, penetration testing, and incident escalations. High-impact risks, including misuse of AI systems and solutions, service inconsistency, and data breaches are prioritised through enterprise risk ratings and reported on a quarterly basis to the Board.

Cybersecurity risk controls include:

- Reviewing user access management and, on a quarterly basis, Identity Access Management (IAM)
- Aligning cryptographic controls with regulatory key-strength requirements
- Monitoring security events, SOAR-orchestrated response
- Ensuring data processor due diligence, three-year vendor refresh cycles, and audit rights

Employee-related cyber risks are controlled through:

- Annual mandatory cybersecurity training, quarterly microlearning, and role-based access training
- Monthly phishing simulations with tracked KPIs: click rate, credential-submission rate, report rate, Time to Remediate (TTR), and repeat-offender reduction
- Multiple reporting channels including 'Report Phish', SOC hotline, service-desk category, and whistleblowing

Incident response is conducted in accordance with the Personal Data Breach and Cybersecurity Threat and Incident Management SOP, as well as ISO 22301-aligned Crisis Response procedures. Key procedures include containment, forensic investigation, escalation, and prompt notification to regulators or affected individuals to minimise impact.

Metrics and Targets

Indicator	Measuring unit	2025	Target
Substantiated customer-privacy complaints	Number	0	0
Data breaches per million subscribers	Number	0	0
Customers affected by data breaches	Number	0	0
Regulatory actions	Number	0	0
Completion rates of mandatory employee e-learning for Cybersecurity	%	100%	100%

CUSTOMER EXPERIENCE AND SATISFACTION

CelcomDigi is committed to delivering consistent, high-quality customer experiences across all touchpoints by strengthening service excellence, digital support channels, and operational responsiveness. Our approach emphasises a customer-first culture, enhancing digital care capabilities, and the use of data-driven insights to continuously improve satisfaction, and build trust and loyalty.

Governance

The CEO and Chief Customer Experience Officer (CCXO) provide oversight for the customer experience transformation via the Customer Experience Forum. Governance is reinforced through monthly and quarterly customer excellence (CX) performance reviews, assessing Customer Satisfaction Score (CSAT), Customer Dissatisfaction Score (DSAT), and monitoring service-level progress through CX dashboards and performance reports.

Strategy

CelcomDigi's customer experience strategy is guided by the key risks and opportunities identified in the CX transformation agenda. The

Sustainability Statement

Company recognises that increasing automation and AI adoption may lead to reduced empathy, inconsistent service experiences, and heightened data privacy and security exposure. To address these risks, CelcomDigi applies a digital strategy that aligns automation with human needs, including hybrid service models and empathy-focused training. Opportunities such as AI-driven personalisation, data-based recommendations, and tailored customer support help deepen customer relationships and guide our customer-led growth strategy, which connects satisfaction, retention, and monetisation. These opportunities also shape our investment priorities, directing resources towards AI enablement, advanced analytics, and secure data platforms that enhance service excellence.

Financial considerations include ongoing OPEX for staff reskilling and system integration. The Company is planning to allocate RM1.3 million in short-term CAPEX for AI infrastructure and customer data platforms, and an additional allocation of RM5.5 million as a medium- to long-term investment pipeline. Automation benefits are expected to deliver a 60% reduction in cost-to-serve and long-term improvements in Average Ratings Per User (ARPU), retention, and brand trust.

Risk Management

To ensure a consistent and high-quality customer experience, CelcomDigi actively monitors and manages potential risks through CX reviews, Voice of Customer analytics, CSAT and DSAT tracking, and service incident escalations. Risks are assessed and prioritised by impact and likelihood, with high-impact risks (e.g., AI misuse, service inconsistency, data breaches) escalated to Compliance. Opportunities to enhance customer experience, business value, and employee experience are evaluated through journey analytics and the CX Filter, with oversight from CX Forums and approval by the CEO or CCXO.

CX risks are integrated into the Enterprise Risk Management (ERM) framework supported by controls such as audits and service recovery playbooks.

Metrics and Targets

Indicator	Measuring unit	2025	Target
CSAT	%	>80%	>70%
Service Level MSQoS	%	>90%	85%/30secs

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C. ESG PERFORMANCE DATA TABLE

Indicator	Sub Category	Unit/Type	2023	2024	2025
Governance					
Regulatory Compliance and Business Ethics					
Board Balance and Composition	Independent Non-Executive Directors	count	4	4	4
	Non-Independent Non-Executive Directors	count	6	6	6
Gender	Male	%	70	70	70
	Female	%	30	30	30
Age	<55	count	4	4	2
	55 to 60	count	3	3	4
	61 to 65	count	1	1	2
	66 to 69	count	2	1	0
	70 to 75	count	0	1	2
Anti-Corruption	Percentage of operations assessed for corruption-related risks	%	100	100	100
	Confirmed incidents of corruption and action taken	Number	0	0	0
	Material Cases of Corruption	count	0	0	0
	Number of staff disciplined or dismissed due to non-compliance with anti-corruption policy/ policies	count	N/A	N/A	0
	Cost of fines, penalties or settlements in relation to corruption	RM	N/A	N/A	0
Percentage of employees who have received training on anti- corruption by employee category	CDM & CDL	%	2	3	4
	Executive	%	95	92	94
	Non-executive	%	3	5	2
Total amount of political contributions made		RM	N/A	N/A	0

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Indicator	Sub Category	Unit/Type	2023	2024	2025
Data Protection and Cybersecurity					
Substantiated complaints concerning breaches of customer privacy and losses of customer data		count	0	1	0
Number of customers whose information is used for secondary purposes		count	N/A	N/A	0
Data security	Number of data breaches	count	N/A	N/A	0
	Percentage that are personal data breaches	%	N/A	N/A	0
	Number of customers affected	count	N/A	N/A	0
	Regulatory actions	count	N/A	N/A	0
Completion rates of mandatory employee e-learning for Cybersecurity		%	N/A	N/A	100
Economic					
Network Quality, Reliability, and Continuity					
Population Coverage	4G LTE	%	97	98	98
	4G LTE-A	%	91	94	96
Network Availability		%	>99	>99	>99
Customer Network Experience Score (CNES)		%	N/A	N/A	>75
RAN Sites consolidation		%	N/A	N/A	90
4G Speed uplift		%	N/A	N/A	20
Systemic Risks from Technology Disruptions	System average interruption duration	minutes	N/A	N/A	0.14
	System average interruption frequency	number/day	N/A	N/A	16
Average actual sustained download speed		mbps	N/A	N/A	78
Number of employees who attended crisis training		count	32	45	64

Sustainability Statement

Indicator	Sub Category	Unit/Type	2023	2024	2025
Sustainable Business Growth					
Subscribers ('000)	Total	count	**20,552**	**20,395**	**20,590**
	Postpaid	count	6,938	7,324	7,993
	Prepaid	count	13,483	12,862	12,281
	Home & Fibre	count	131	209	316
Capital Intensity		%	13.8	18.7	12.1
Digital Transformation and AI					
Pilot use case	Solution adoption	count	N/A	13	28
Environment					
Climate Change Adaptation and Mitigation					
Total Scope 1 & 2 emissions		tonnes CO_2e	**537,616**	**561,756**	**539,598**
Total Scope 1 emissions	Total	tonnes CO_2e	**53,670**	**43,810**	**51,043**
	Network	tonnes CO_2e	53,499	43,712	50,957
	Fleet	tonnes CO_2e	161	88	76
	Buildings	tonnes CO_2e	10	10	10
Total Scope 2 emissions	Total	tonnes CO_2e	**483,946**	**517,946**	**488,555**
	Network	tonnes CO_2e	476,714	511,222	482,912
	Buildings	tonnes CO_2e	7,232	6,724	5,643
Total Scope 3 emissions	Total	tonnes CO_2e	**282**	**4,350**	**6,912**
	Category 6 - Business Travel (Air)	tonnes CO_2e	N/A	299	756
	Category 6 - Business Travel (Land)	tonnes CO_2e	282	950	948
	Category 7 - Employee Commuting	tonnes CO_2e	N/A	3,101	5,208
Carbon intensity per customer		tonnes CO_2e/ customer	0.026	0.028	0.028
Carbon intensity per data usage		tonnes CO_2e/ terabyte	0.10	0.09	0.07
Total energy consumption		GJ	**3,288,564**	**3,227,688**	**3,319,042**
Direct energy consumption from fuel	Total	GJ	**720,612**	**588,852**	**735,328**
	Network	GJ	718,272	587,448	733,982
	Fleet	GJ	2,196	1,224	1,176
	Buildings	GJ	144	180	170
Indirect energy consumption from grid	Total	GJ	**2,555,640**	**2,622,924**	**2,568,452**
	Network	GJ	2,519,964	2,590,704	2,540,866
	Buildings	GJ	35,676	32,220	27,586
Solar power generated (Network)		GJ	12,312	15,912	15,262
Energy Consumption Mix	Grid electricity	%	N/A	N/A	99
	Renewable	%	N/A	N/A	1

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Indicator	Sub Category	Unit/Type	2023	2024	2025
Energy use per customer		MJ/customer	160	158	170
Energy use per Data Usage		MJ/terabyte	595	493	425
Total water consumption		m^3	151,284	65,485	71,948
General Waste	Collected	tonnes	664	290	1,301
	Recycled	tonnes	22	2	0
E-Waste	Collected	tonnes	238	387	699
	Recycled	tonnes	48	39	0
Social					
Customer Experience and Satisfaction					
CSAT Score	Contact Centre	%	>60	>50	>75
	Retail Stores	%	>90	>90	>90
Service Level MSQOS		%/30sec	N/A	N/A	>90
Talent and Culture					
Total employees Permanent & FTE *(those directly under CD's payroll)*		count	3,655	3,079	2,880
Employees Type	Permanent	count	3,527	2,903	2,703
	Contract	count	128	176	177
Gender	Male	count	1,900	1,600	1,444
	Female	count	1,755	1,479	1,436
Ethnicity	Malay	count	2,264	1,840	1,672
	Chinese	count	924	842	823
	Indian	count	281	245	232
	Others	count	186	152	153
Age Group	<30	count	193	189	183
	30 to 50	count	2,687	2,266	2,053
	>50	count	775	624	644
Category	CDM	count	12	13	10
	CDL	count	101	92	89
	CelcomDigi Employees (Executive & Non-Executive)	count	3,542	2,974	2,781
New Hires	Male	count	40	132	110
	Female	count	33	121	91
Employee Turnover		Rate	5	6	7
Employee Turnover by gender	Male	%	8	4	3
	Female	%	7	4	5
Employee Turnover by category	CDM & CDL	count	13	17	12
	Executive & Non-executive	count	256	830	385

Sustainability Statement

Indicator	Sub Category	Unit/Type	2023	2024	2025
Employee Learning	Total learning hours	hours	65,404	55,143	102,866
	Average hours per employee	hours	14	14	27
	Average days per employee	days	N/A	N/A	4
	Average for male employee	hours	16	15	27
	Average for female employee	hours	12	13	28
	Average for management	hours	13	16	63
	Average for non-management	hours	14	14	24
Parental Leave	Paternity	headcount	177	60	42
	Maternity	headcount	62	88	23
Women in Leadership	CDM + CDL	%	41	37	38
Percentage of employees that are contractors or temporary staff		%	0.36	0.33	0.52
Percentage of employees under bargaining agreements		%	2	<1	<1
Health, Safety and Wellbeing					
Work-related fatalities		count	0	0	0
Lost time injury frequency (LTIF) rate		count/million hours	0.14	0.44	0.00
Occupational Safety and Health Coordinator (OSH-C)		headcount	92	96	119
General First Aiders		count	68	55	104
Mental Health First Aiders		count	59	32	109
Employees trained on health and safety standards		count	4,280	4,491	4,051
Employee training on health and safety standards		hours	6,967	9,329	9,399
Digital Rights and Online Safety					
S.A.F.E. Internet programme	Training of community leaders (ToT)	count	1,692	1,974	1,055
	Community outreach	count	139,842	146,574	13,081
	Online reach	count	8,696,965	7,799,033	13,879,024
Number of substantiated complaints concerning human rights violations		Number	0	0	0
Affordability and Inclusion					
NaDi centres operated		count	307	322	325
National Digital Network (JENDELA) sites		count	182	711	982

Sustainability Statement

Indicator	Sub Category	Unit/Type	2023	2024	2025
Community Development					
Future Skills For All (FS4A)	Students	count	N/A	3,956	10,834
	Teachers	count	N/A	510	1,053
	Schools	count	N/A	956	3,968
	Active students and trainers	count	44,856	63,374	105,057
Total amount invested in the community where the target beneficiaries are external to the listed issuer		MYR	2,000,000	2,320,410	1,725,800
Total number of beneficiaries of the investment in communities		Number	585,268	206,000	128,096
Sustainable Supply Chain Management					
Total number of suppliers		count	2,487	2,724	2,956
New supplier who have signed the Agreement of Responsible Business Conduct (ABC)		count	242	237	232
Total suppliers who have signed the ABC to date		count	2,487	2,724	2,956
Supplier training		hours	23,478	26,687	31,027
Inspections conducted	Unannounced	count	795	872	854
	Announced	count	10	7	10
	Total	count	805	879	864
Number of findings	Major	count	17	23	22
	Minor	count	84	42	134
	Contractors suspended	count	1	0	2
	Contractors terminated	count	0	0	0
	Contractors reinstated	count	0	1	2
Number of suppliers awarded contracts	Local Suppliers	count	607	558	477
	Foreign Suppliers	count	212	207	184
Proportion of spending on local suppliers		%	24	38	37

Notes:

a) Energy consumption for 2023 and 2024, which was previously disclosed in gigawatt-hours (GWh), has been restated and presented in gigajoules (GJ) in the current reporting year. This change was made to improve consistency and comparability across all energy sources by adopting a common primary energy unit. The restatement reflects a change in presentation only, with no impact on the underlying energy consumption data, and was performed using standard conversion factors.

b) Lost time injury frequency rate denotes the number of lost time injuries in the reporting period x 1,000,000 / Total worked hours (based on 9 working hours x actual working days in the year).

c) Employee statistics (except for employee learning) includes permanent and contract employees, under active employment as of 31 December 2025. Employee learning includes permanent, contract, and outsourced employees.



Shaping vision into reality

Empowering people and investing in partnerships and technology for what comes tomorrow

CelcomDigi, in partnership with University Malaya Medical Centre, are transforming healthcare in Malaysia with our AI Holomedicine solution, delivering critical live transmission powered by 5G, AI & XR.



STRENGTHEN MARKET LEADERSHIP

GUIDING FACTORS

Material Matters
EC2 EC3 G1 G2 S4

Capitals Deployed

Stakeholders Affected

UNSDGs

Our approach to strengthening market leadership is anchored on driving growth across our core business and investing to accelerate emerging segments. This ensures excellent go-to-market execution, leverages digital capabilities to deepen customer engagement, and builds a trusted brand that customers can rely on in an increasingly digital-first world.

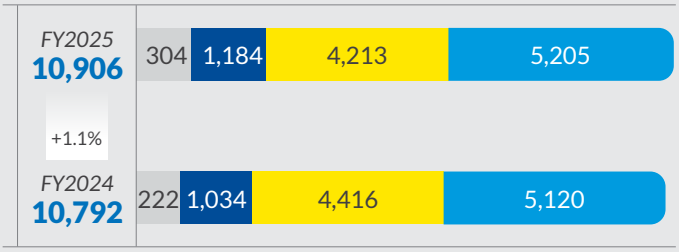
GROWTH DRIVEN BY STRONG MARKET EXECUTION AND OPERATIONAL EFFICIENCIES

In FY2025, CelcomDigi strengthened leadership through resilient market performance, disciplined execution, and sustained momentum across core segments. Total Revenue grew 2.2% year-on-year (YoY) to RM12,958 million, while Service Revenue improved 1.1% to close at RM10,906 million, supported by continued growth in Consumer Postpaid, Home & Fibre, and Enterprise solutions. These gains collectively offset softer performance in Prepaid and Enterprise Mobile, underscoring our diversified revenue mix and our ability to capture value across key customer segments.

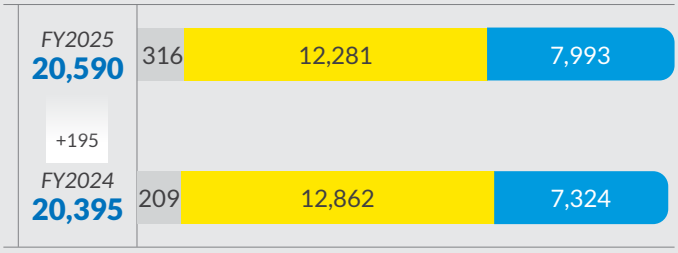
Total Revenue (RM million) — Postpaid, Prepaid, Wholesale & Others, Home & Fibre

2025 **12,958** 2024 **12,679**

Service Revenue (RM million)



Subscribers ('000)



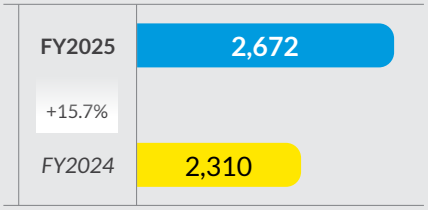
Earnings Before Interest and Tax (EBIT) remained resilient in FY2025 (+15.7% YoY), supported by disciplined cost management and the continued flow-through of RM304 million in gross savings from cost of goods sold and operating expenditure during the year. EBIT was supported by structural cost efficiencies from network, IT, and operating model integration, and offset higher operating cost pressures stemming from network investments, 5G access charges, device subsidies, and fibre expansion. This reflects our ability to preserve operating profitability while sustaining strategic investments that drive long-term growth and market leadership.

FY2025 CAPEX execution remained disciplined and aligned with approved strategic priorities, with the majority of investments primarily supporting network modernisation, completion of integration initiatives, and essential digital enablement. Total CAPEX for the year was RM1,574 million, reflecting the tapering of major integration programmes and more targeted deployment of capital.

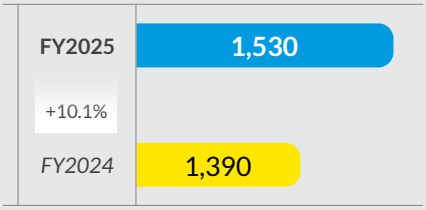
Strengthen Market Leadership

Our integration and transformation programme is now approaching completion, with synergy targets firmly on track and cumulative benefits reaped from disciplined execution across network, IT, and operating model consolidation. Over the three-year integration period, the company delivered cumulative P&L savings of RM806 million and CAPEX avoidance of RM1,872 million, translating into total gross synergies of RM2,678 million as at FY2025.

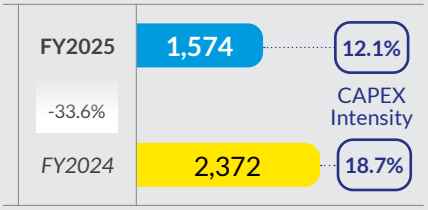
Earnings Before Interest and Tax (EBIT) (RM million)



Profit After Tax (PAT) (RM million)



Total CAPEX (RM million)



In FY2025, we realised RM304 million in P&L savings and RM283 million in CAPEX avoidance, contributing to total gross synergies of RM587 million for the year. While annual synergy realisation has naturally moderated following peak integration milestones, the programme has successfully transitioned from consolidation to embedding recurring structural efficiencies.

The culmination of our integration programme marks a significant milestone in strengthening our structural cost base, operational agility, and long-term shareholder value creation, with steady-state annual savings of approximately RM800 million expected post-2027 and Net Present Value (NPV) of synergies of approximately RM8 billion.

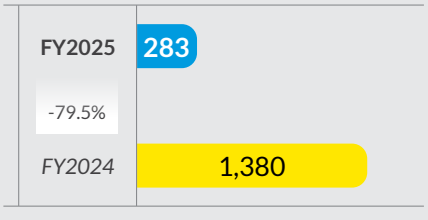
Earnings per share (EPS) improved to 12.9 sen in FY2025, reflecting disciplined cost optimisation, synergy realisation, and resilient operational performance. The company announced Dividend per Share (DPS) of 14.7 sen for the year, supported by stable operating cash flows and prudent capital management.

Total declared dividend for FY2025 amounted to RM1,724 million, representing a payout ratio above the company's stated dividend policy of a minimum 80% of net profits. This underscores our continued commitment to delivering sustainable and attractive returns to shareholders while preserving financial flexibility to support long-term growth.

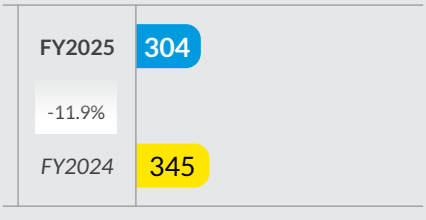
Total assets increased to RM36,878 million in FY2025, reflecting continued investments in network modernisation, digital platforms, and capitalised integration initiatives to strengthen long-term competitiveness.

Total liabilities rose to RM20,899 million, mainly attributable to financing activities and normalised working capital movements in support of ongoing capital commitments. The company maintains a prudent capital structure that ensures balance sheet resilience while sustaining shareholder returns, underpinned by healthy operating cash flows and disciplined financial management.

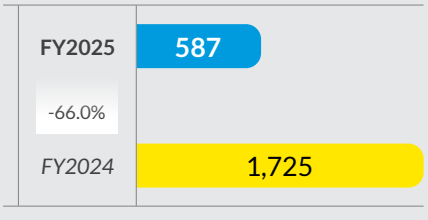
CAPEX Avoidance (RM million)



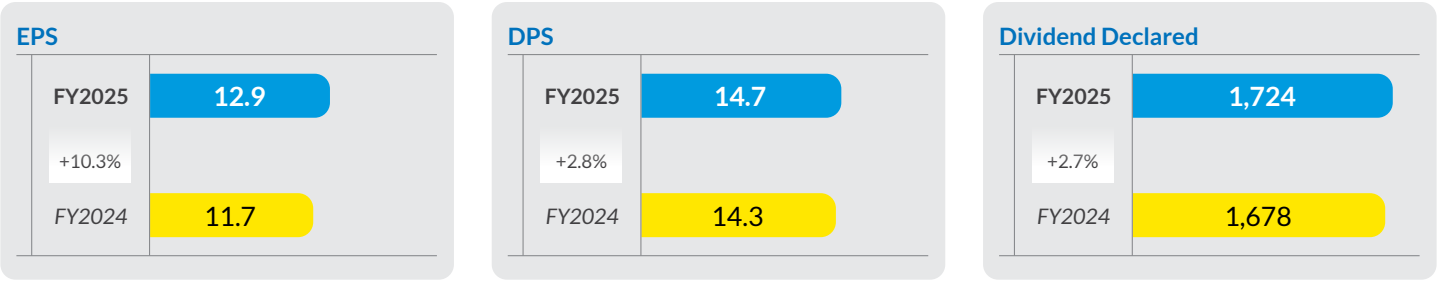
P&L Savings (RM million)

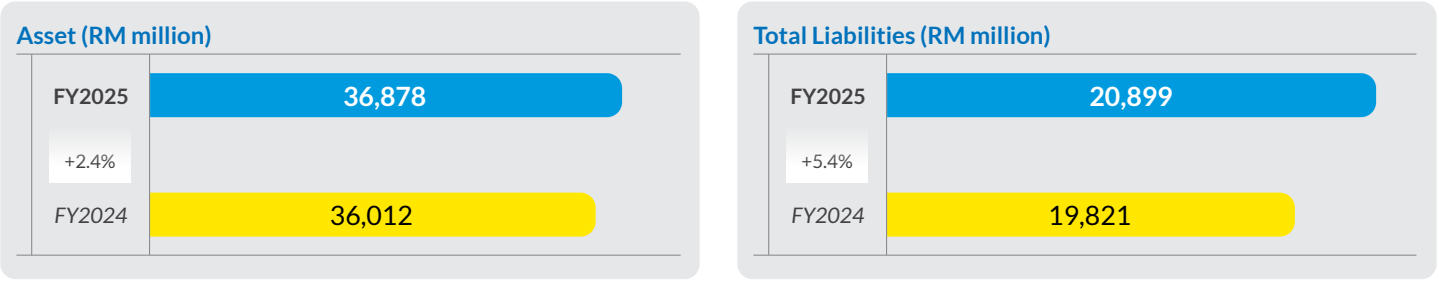


Gross Synergies (RM million)



Strengthen Market Leadership





Collectively, these outcomes reflect our ability to deliver sustainable financial performance while investing strategically to defend our market leadership position, drive innovation, secure sustainable growth, and deliver consistent shareholder returns.

EXECUTING FOR GROWTH AND MARKET LEADERSHIP

Our ambition to maintain market leadership is anchored on three key priorities: firstly, by delivering high quality products tailored to specific customer segments by integrating connectivity with value-added services (VAS); secondly, by accelerating convergence adoption to strengthen customer lifetime value through integrated multi-product propositions across mobile, fixed, and VAS; and finally, through leveraging advanced AI and analytics to deliver hyper-personalised offers that deepen engagement and relevance across all segments.

Consumer Business

- Introduced a refreshed and value-enhanced CelcomDigi product portfolio to capture new growth opportunities by addressing segment-specific needs, making these plans the right choice for the right segments.
- Refreshed CelcomDigi One™ plan – One™ Ultra and One™ Pro offer customers an enhanced connectivity experience with faster speeds, stronger security, and premium entertainment in an all-in-one subscription. These converged propositions deepen customer engagement, increase household penetration, and lift average revenue per user (ARPU) through multi-product adoption, driving stronger customer retention.
- Stabilised Prepaid business with a strategic focus on high-value segments, prioritising quality subscriber growth, and strong base management with retention of higher-value customers and monetisation through personalised offers and uptake of value-added services.
- Leveraged expanded VAS portfolio to further strengthen loyalty and grow average revenue per account (ARPA). New offerings such as Disney+ and Prime Video packages for entertainment, PhoneCARE and PhoneFIX for device care, and MobileSHIELD, WebSHIELD, and PrivateSIM for digital safety created new revenue streams beyond traditional data and voice.

Enterprise Business

- Strengthened mobile offerings in the micro, small, and medium enterprise (MSME) segments, designed to help MSMEs across Malaysia simplify and seamlessly digitalise their business. We conducted the MY5G SME Digital Workshops for the third consecutive year across five states, empowering more than 1,500 SMEs to digitalise faster and smarter with 5G-powered solutions. These efforts were complemented by enhanced value propositions, including secure connectivity with Cisco Security, Unlimited Internet when bundled with Business Fibre, and 50% savings on global roaming.
- Enhanced connectivity solutions through strengthened business propositions featuring zero-downtime guarantees, expanded Fixed Wireless Access (FWA) offerings with outdoor customer premises equipment (CPE) and mobile WiFi (MiFi), and the introduction of Fibre-to-the-Room (FTTR) for businesses. We launched the 4G Rapid Mobility (4GRM)

Strengthen Market Leadership

solution, leveraging satellite backhaul technology to deliver rapid 4G coverage in rural, hard-to-reach areas and emergency scenarios. We also introduced API-as-a-Service (APIaaS) based on CAMARA and Firebase standards, enabling enterprises and developers to build smarter, more secure digital services through scalable, carrier-grade network APIs.

- Advanced TechCo Cybersecurity, Cloud, IoT, AI and 5G were introduced, enabled by Bridgenet and the Axiata Cyber Fusion Centre (CFC). This includes an advanced Security Operations Centre (SOC) offering always-on, end-to-end protection across managed security services, strategy and assessment, and infrastructure security. Our cloud portfolio was strengthened with the addition of DevOps and application development capabilities, enhancing our end-to-end delivery. We also established an in-house AI-as-a-Service (AIaaS) solutions to help Malaysian SMEs adopt practical, high-value AI tools quickly and affordably.

SECURED STRATEGIC PARTNERSHIPS TO ADVANCE MALAYSIAN ENTERPRISE DIGITALISATION AND INNOVATION IN 2025

Public Sector

Appointed as Strategic Partner for the Ministry of Investment, Trade and Industry of Malaysia (MITI) in support of Malaysia's ASEAN Chairmanship in 2025.

Collaborated with MyDigital Corporation, Malaysia Digital Economy Corporation (MDEC), Digital Nasional Berhad (DNB), and Majlis Bandaraya Petaling Jaya (MBPJ) to develop Malaysia's first AI-powered neural network traffic intelligence solution, enabling real-time insights to improve urban mobility, enhance road safety, and support the nation's smart city ambitions.

Private Sector

Partnered with Hospital Pengajar Universiti Malaysia Sarawak (HPUNIMAS) to enhance healthcare accessibility for underserved communities in Sarawak with MediRover and MediDoc.

Collaborated with University Malaya Medical Centre (UMMC) to achieve a major milestone for digital healthcare in Malaysia with one of the world's first multi-country live surgery with 5G-enabled AI HoloMedicine.

Forged a partnership with Google Firebase and Telenor Linx to introduce a network-based phone number verification solution, strengthening digital trust by enabling secure, seamless authentication without reliance on traditional one-time passwords (OTPs).

Partnered with Payments Network Malaysia (PayNet) to advance secure digital financial transactions through the integration of Open Gateway APIs, strengthening authentication and reducing fraud risks.

STRENGTHENING GO-TO-MARKET EXECUTION AND DEEPENING DIGITAL ENGAGEMENT

We continued to strengthen our omnichannel ecosystem, seamlessly integrating physical and digital touchpoints to deliver a more intuitive, consistent, and convenient experience for customers to more easily engage with us.

Accelerating digital-first engagement

- Launched the CelcomDigi App as the primary customer touchpoint to accelerate digital-first engagement, enabling seamless, personalised digital experiences at scale. This reinforces the company's commitment to building a truly integrated and customer-first journey through enhanced self-service features, personalised offers, and in-app purchases of plans and add-ons. This strategic move elevates how we engage with customers, placing them at the centre of every interaction and transaction.
- We also transformed customer support by introducing new service channels and expanding AI-enabled assistance through innovations powered by GenAI and Agentic AI, including in retail, which has helped productivity in sales and retail.
- Successfully completed the unification of a single Distribution Management System (DMS) from ten legacy platforms, improving efficiency for inventory and logistics across sales channels.

Strengthen Market Leadership

Modernising and digitalising the sales ecosystem with AI and analytics capabilities

- Launched two flagship experiential CelcomDigi Store *Life* outlets to make connected living more accessible to customers. These new stores introduced the 'Endless Aisle', a wall-covering digital interactive screen that allows customers to explore the latest products and purchase digitally.
- Modernised the design of more than 200 branded stores as part of our retail transformation roadmap, redefining the retail experience to better meet our customers' evolving digital needs.
- Enabled AI-powered and performance-driven frontline excellence by piloting hyper-personalised in-store engagement and 360° customer insight capabilities.

Driving data-led sales execution

- Created hyperlocal customer engagements nationwide by leveraging geography cluster statistics to implement data-enabled sales routing, resulting in faster, more precise sales growth and stronger state-by-state market-share performance.
- Enhanced in-store journey management through upgraded Queue Management Systems (QMS) for better journey analytics and customer satisfaction tracking (CSAT), ensuring an enhanced customer experience.
- Initiated Regional Go-To-Market Intelligence Dashboards for cross-divisional execution and collaborations, mapping key network parameters against customer demand and sales initiatives.

TRUSTED BRAND LEADERSHIP

Establishing the most trusted brand, built on customer excellence

In 2025, we continued to strengthen CelcomDigi as a unified corporate brand, reinforcing our role as a trusted partner in connectivity and digital innovation for customers and the nation. Through impactful, customer-focused initiatives, we created meaningful connections that drove real value. CelcomDigi continues to earn industry recognition and prestigious awards for our brand efforts, reflecting our unwavering commitment to connect Malaysians through the widest, fastest, and most secure network.

Driving brand excellence

- Ranked 6th Most Trusted Brand in Malaysia by IPSOS Trust Track 2025
- Ranked as Malaysia's Most Valuable Telecoms Brand 2025 by Brand Finance
- +8-point boost in perception of CelcomDigi as the "Best 5G Coverage" (Q4 2025 vs Q4 2024) by Brand Health Tracking
- Our network leadership is validated by industry benchmarks, including:
  - Opensignal Mobile Experience Awards: Best Games, Voice, Video, Download/Upload Speed, Coverage & Consistent Quality
  - Ookla Speedtest Awards: Malaysia's Best Mobile Coverage
  - GLOMO GSMA Foundry Innovation Award
  - World Economic Magazine: Malaysia's Most Innovative Telecoms Company

Strengthened brand leadership

The Appies 2025

- Best in Digital *Gold* - Right Time, Right User, Real Results
- Best in OOH/DOOH *Gold* - CelcomDigi Dreams to the Heart of Sabahans, The Dreamer
- Best in Innovation *Silver* - Winning Malay SMEs Through the Power of AI Pantun
- Best in Influencers & Creator Marketing *Silver* - Turning Disruption into Influence

Smarties APAC

- Innovative Use of AI in Advertising *Bronze* - AI Pantuns for Malay SMEs

2025 MSA Awards

- Best Use of AI *Silver* - CelcomDigi Enterprise: Reimagining News Consumption With AI
- Best Use of AI *Bronze* - Which Speedster Are You?
- Best Use of Performance Media (Media Biddable) *Bronze* - Using Conversations for Conversions

Strengthen Market Leadership

Delivering technologies and safeguards that customers can rely on

We continued strengthening the security, integrity, and resilience of our network and data ecosystem to deliver a safe digital experience for over 20 million Malaysians.

Empowering customers with AI-driven digital safety

We put protection directly into our customers' hands through a suite of AI powered mobile and network-level safeguards, securing every layer of their digital journey. These three value-added services equip Malaysians with greater control over their digital safety while protecting them from scams, threats, and data breaches. Together, they deliver a smarter, safer, and more seamless experience that reinforces CelcomDigi as a brand that customers can trust and rely on in this digital age.

MobileSHIELD

Device-level defence – encrypts Internet connection, detects and blocks scam messages, monitors personal data, and protects against malware and risky apps on the device.

WebSHIELD

Network protection – blocks fake sites, phishing pages and harmful links at the network level before they reach the device.

PrivateSIM

Protects personal numbers by keeping primary numbers private by using PrivateSIM as the dedicated number for safer online transactions and reduced spam and scams.

Anti-scam and fraud efforts

We are guided by a clear principle to A.C.T. – to create Awareness, drive Compliance across the business, support efforts of enforcement agencies, and leverage Technology effectively to combat evolving cyber threats and build security safeguards for Malaysians.

We intensified our anti-scam and fraud prevention efforts in 2025 to protect customers across our network and all touchpoints.

In the year, we focused on:

- Enhancing internal fraud prevention controls through improved screening of suspicious originating calls and scam-linked SMS patterns.
- Strengthening verification and access safeguards to reduce fraudulent misuse of accounts and digital transactions.
- Maintaining clear, centralised reporting channels, enabling customers to escalate scam cases promptly for investigation and action.
- Deepening cross-functional coordination with fraud management, security, regulatory, compliance, and customer teams to ensure timely response and mitigation of emerging scam activity.
- Expanding ecosystem-wide efforts in collaboration with the Ministry of Communications, Malaysian Communications and Multimedia Commission, Royal Malaysia Police (PDRM), Meta, and MalaysiaKini.

Enhancing data protection and strengthening cybersecurity controls

We continued strengthening customers' personal data protection through robust privacy and cybersecurity measures and practices.

Privacy and data protection

We remain committed to ensuring responsible handling of our customers personal data. Our approach is grounded in strict compliance with the Personal Data Protection Act (PDPA) and we focused on strengthening internal governance, prioritising compliance, upskilling employees and partners, and shaping industry-wide dialogue on responsible data practices.

During the year, we strengthened our data protection approach by implementing an enhanced Privacy Management Framework with defined controls and procedures covering the full data life cycle, conducting an independent privacy maturity assessment benchmarked against regional industry peers, and providing structured training to ensure employees and business partners have a baseline understanding of privacy and personal data protection requirements.

The initiatives implemented during the year strengthened internal controls by enhancing consent practices at customer registration and payment points, rolling out privacy e-learning to employees and business partners, and updating Privacy Notices across customer touchpoints using simplified infographics. These actions also supported the organisation's positioning in privacy and data protection discourse at national and regional levels.

Strengthen Market Leadership



Read more about our Data Protection Practices and Privacy Statement at https://corporate.celcomdigi.com/company/governance.

Cybersecurity

Our cybersecurity approach combines a multi-layered defence mechanism built on internationally recognised standards and best practices. This includes a zero-trust approach, strong operational controls and oversight, and routine testing across network and IT systems to protect service integrity. We adopt evolving technologies to strengthen network defences and work closely with regulators and enforcement agencies to counter cybercrime.

Efforts undertaken in the year include:

- Maintained ISO-certified information security and business continuity frameworks (ISO/IEC 27001 Information Security Management System (ISMS), and ISO 22301 Business Continuity Management System (BCMS).
- Conducted 24/7 monitoring via our Security Operations Centre for continuous AI-driven threat detection and rapid incident response in real-time.
- Conducted regular vulnerability assessments and technical reviews to strengthen threat readiness.
- Ensured our business continuity and disaster recovery tests aligned with recovery time objectives/recovery point objectives for critical telecommunications services.
- Implemented 3rd Generation Partnership Project (3GPP) Security Standards – governing LTE and 5G network security architecture, authentication, and encryption.
- Aligned with GSMA Security Frameworks for mobile network equipment and supply-chain assurance, and National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) for identifying, protecting, detecting, responding to, and recovering from network threats.

ENHANCE
CUSTOMER EXPERIENCE

GUIDING FACTORS

Material Matters
EC1 EC3 S1

Capitals Deployed

Stakeholders Affected

UNSDGs

ENHANCING EXPERIENCE ACROSS ALL CUSTOMER TOUCHPOINTS

CelcomDigi is redefining end-to-end journeys by integrating robust governance with holistic support to safeguard our customers' interests. By focusing on five critical pillars – Network, Retail, Product, Digital, and Support experience – we ensure every interaction is seamless, personalised, and distinctive.

To maintain this edge, we leverage a centralised ticketing system and real-time Customer Satisfaction Score (CSAT) insights to close the feedback loop. Every instance of customer insight is an opportunity to listen and evolve. By proactively addressing service quality and refining our digital engagement, we move beyond solving problems and advance towards building long-term trust.

Serving customers 24x7, 365 days

>80% CSAT
ahead of industry peers

NETWORK EXPERIENCE

The company remains committed to delivering the best quality of experience on the widest, fastest, and most secure network in Malaysia. Superior network quality is critical in providing both consumers and enterprises seamless digital experiences, real-time applications, and next-generation services.

Improved customer experience in post-consolidation areas:

Download speeds:
average >80MBPS

Customer Network Experience Score:
>75%

Signal quality:
>80%
experienced improvement with an average signal of three bars and above

CelcomDigi's network leadership has been recognised by global independent network experience analysis providers, including:

Opensignal Mobile Network Experience Awards for
- Best Overall Upload Speed Experience
- Best 5G Games Experience
- Best 5G Voice App Experience
- Best 5G Upload Speed Experience
- Best Coverage Experience
- Best 5G Coverage Experience
- Best Consistent Quality

Enhance Customer Experience

RETAIL EXPERIENCE

We now serve more than 20 million customers through the largest-owned retail chain for digital products and services in the country. This network spans over 10,000 touchpoints, consisting of over 50 CelcomDigi branded stores, over 300 partner-operated CelcomDigi Express stores, and thousands of modern and open trade channels and touchpoints.

In the year, we modernised our CelcomDigi Stores which are designed as experiential hubs for connected living, enabling customers to explore devices, digital services, and personalised connectivity solutions in an immersive environment. We also launched two flagship stores, the CelcomDigi Store *Life*, which represents our premium experiential retail concept, showcasing a comprehensive ecosystem of connectivity, devices, and digital lifestyle solutions in a curated environment.

By integrating AI-powered assistance, real-time support, and omnichannel engagement, we are making it easier for customers to connect with us anytime, anywhere, ensuring a more intuitive and convenient experience.

Malaysia's largest retail network:

- **10,000 +** retail touchpoints
- **2 CelcomDigi** Store *Life* introduced
- Retail CSAT of **>90%**
- Over **60 CelcomDigi Stores** modernised
- More than **200 CelcomDigi** Express Stores modernised
- Multiple **24-hour, 365-day touchpoints**
  - Customer Service helpline
  - WhatsApp messaging
  - CelcomDigi App
  - Chatbot
  - Live Chat
  - Online stores

CelcomDigi was also recognised for our efforts in transforming and elevating the retail store experience for customers.

retail asia AWARDS

- Telecommunication Retailer of the Year
- Innovation Team of the Year

We introduced Express Support, enabling customers to instantly connect with contact centre specialists via QR codes available in selected stores, bridging the physical and digital service experience.

We further strengthened our premium care proposition through Elite Care, a differentiated service model for high-value customers built on personalised, end-to-end support.

PRODUCT EXPERIENCE

Across our Consumer and Enterprise portfolios, we have enhanced core product journeys to eliminate legacy friction and complexity. By shortening and automating critical processes – including billing, roaming, and fibre connectivity – we have significantly accelerated turnaround times and delivered a smoother end-to-end experience.

The initiatives include:

Billing & Service Recovery

- **Proactive management:** Enhanced SMS alerts for credit limits and line barring, empowering customers to manage usage and avoid service interruptions
- **Instant Recovery:** Automated the 'Device Unblocking' journey, providing immediate, agent-free service restoration

Roaming

- **Bill shock prevention:** Introduced proactive notifications via SMS and the CelcomDigi App to inform customers of potential voicemail charges before they occur
- **Seamless planning:** Launched pre-booking capabilities and intuitive product guides to ensure customers are able to select the optimal roaming pass for their needs

Enhance Customer Experience

Fibre

- **Specialised Support:** Deployed a Fibre Specialised Squad dedicated to simplify the support journey, elevating service quality, and driving higher first call resolution (FCR)

DIGITAL EXPERIENCE

The new unified CelcomDigi App now serves as the primary platform for over five million active users (as at 31 December 2025), providing a harmonised interface for customers to manage billing, usage, rewards, and both mobile and fibre services.

We also launched WhatsApp Support CARE, transforming the platform into a full-service support channel for billing, network, and roaming inquiries. We enabled end-to-end resolution on our customers' preferred messaging app, removing the friction of navigating complex app menus for routine tasks. We enhanced the service with smarter automation and AI integration to deliver a more seamless, intuitive, and differentiated customer experience. This initiative has driven a 30% reduction in call volumes, significantly decreasing reliance on traditional contact centres while simultaneously improving service accessibility and efficiency.

SUPPORT EXPERIENCE

In 2025, we fundamentally transformed our support model, moving beyond reactive troubleshooting to a Swift Quality Resolution framework. This evolution was driven by specialised support teams, cross-functional squads, and deeper digital personalisation.

The initiatives include:

- **Personalised Digital CARE:** Launched tailored support journeys for Fibre, Senior Citizen, and High-Value segments, significantly improving first-contact resolution and service empathy, resulting in higher satisfaction scores for these segments
- **Differentiated Support System:** Strengthened our tiered service model through dedicated VIP lines, Elite Care, WhatsApp Support CARE, and specialised Enterprise teams to ensure expert-level resolution for every segment
- **24/7 Roaming Excellence:** Enhanced international support with a dedicated, round-the-clock operations team
- **Operational Efficiencies:** Increased automation for service deliveries up to 65%, reducing repetitive tasks for both customers and frontline agents
- **Performance benchmarks:**
  - Service Levels Recovery: Successfully restored service levels to >85% by year-end
  - Customer Satisfaction: Achieved a significant improvement in a CSAT score of >80% across all channels, outperforming industry benchmarks

Industry recognition

Our commitment to customer excellence during the year has earned notable awards:

Asian Experience Awards 2025

- Malaysia Customer Experience of the Year – Telecommunications for Express Support
- Malaysia Digital Experience of the Year – Telecommunications for Seamless Digital CARE

Network and Retail excellence awards

- Delivering reliable connectivity and high-quality in-store experiences.

These awards recognise our focus on humanising technology to create seamless, meaningful connections that prioritise both efficiency and empathy for every customer.

Driving measurable customer impact

These collective efforts have led to a steady improvement in the quality, speed, and personalisation of our customer interactions. By anchoring on customers, leveraging technology to simplify journeys, and focusing on empathetic support at every touchpoint, we have established a solid foundation that is consistently building trust across all our touchpoints. This is reflected in our overall Customer Satisfaction (CSAT) score, which improved from a low of <50% in January 2025 to >80% by December 2025, placing us at the forefront of high-performing organisations.

DRIVE OPERATIONAL EXCELLENCE

GUIDING FACTORS

Material Matters

EC2 EC3 S2 S7

Capitals Deployed

Stakeholders Affected

UNSDGs

DRIVING EFFICIENCY AND PRODUCTIVITY

Advancing sustainable efficiencies

Over the past three years, we have sharpened operational discipline by optimising workflows, leveraging scale efficiencies across the organisation, and cultivating a sustained culture of operational excellence to safeguard value creation and strengthen returns on investment.

In 2025, we shifted our focus from targeted cumulative synergies and integration efforts to securing long-term structural cost advantages. An important lever for this was disciplined execution of network and platform consolidation initiatives through strategic negotiations across a broad ecosystem of partners – infrastructure providers, technology vendors, managed service partners, and other key suppliers.

More than 50% of the company's realised benefits were a result of CAPEX avoidance, following the completion of major consolidation milestones. Today, we have wider contribution from recurring operating efficiencies, with rental cost optimisation accounting for more than 35% of these efficiencies, IT-related efficiencies more than 5%, and cost of sales improvements in the high single-digit range. These savings were achieved without compromising network quality, capacity, or customer experience.

As network site rationalisation progresses, rental optimisation is expected to deliver compounding benefits. At the same time, IT consolidation, automation, and analytics-driven optimisation continue to deliver structural efficiencies that will produce recurring savings over the next two to three years. Collectively, these initiatives underpin a structurally lower cost base and strengthen our ability to deliver sustainable operational efficiencies beyond the integration phase.

Procurement discipline

We strengthened procurement governance and commercial discipline in the year, reinforcing transparency, compliance, and value capture across major spend categories. Through more rigorous sourcing strategies and structured cross-functional collaboration, we delivered material financial impact that directly supported the company's EBIT performance and cost transformation priorities. This included RM1.25 billion in contracted savings across CAPEX, OPEX, and COGS to be realised from 2025 to 2029, alongside RM223 million in incremental optimisation from negotiations in priority cost areas.

We also strengthened discipline across contract lifecycle management. Renewals were proactively managed to safeguard continuity and strategic alignment, while contract finalisation timelines improved through clearer accountability and streamlined processes. We reinforced catalogue-driven buying to enhance compliance, transparency, and operational control, ensuring institutionalised procurement discipline across the organisation.

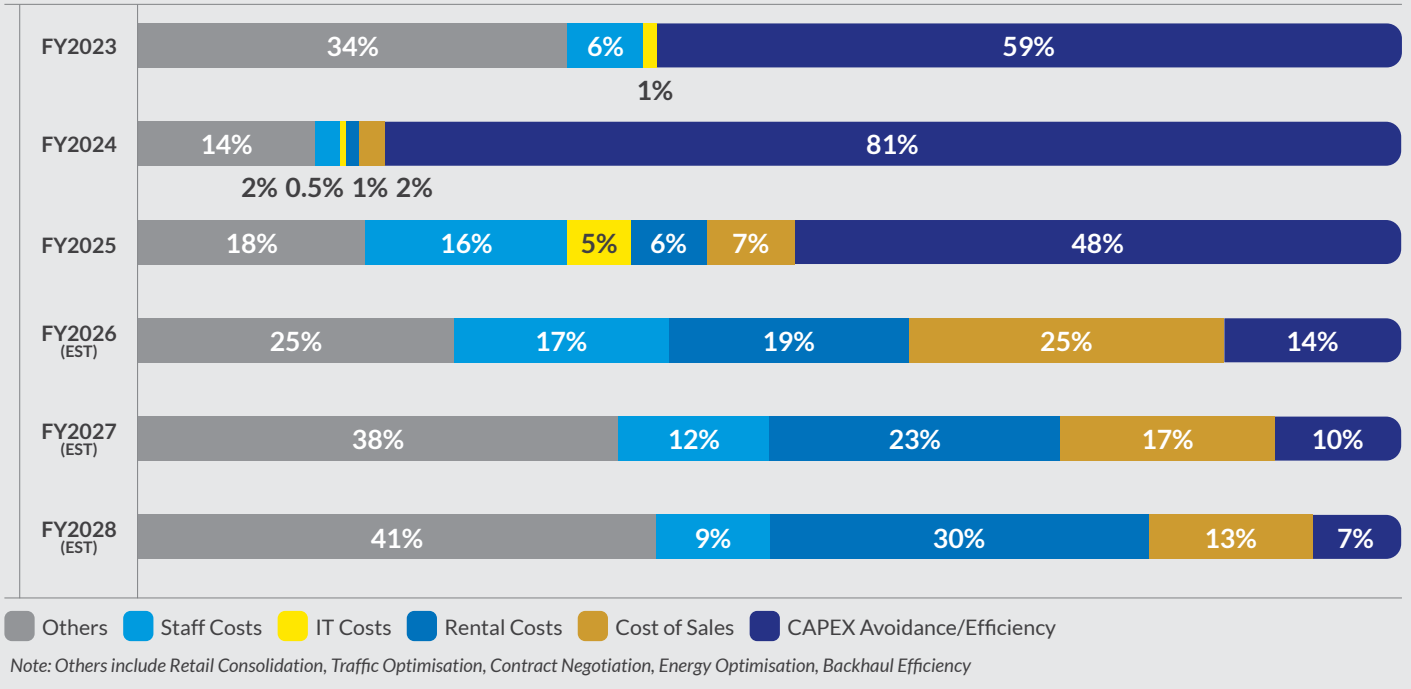
Focus on structural, recurrent benefits

We are now shifting from synergy capture to recurring operational excellence. Across network sites, we will adopt more granular site and cell-level efficiency while safeguarding network quality and capacity. In IT, we will reduce structural OPEX inefficiencies through system rationalisation, platform consolidation, and automation, strengthening scalability and cost transparency.

We are increasing the use of analytics to optimise direct traffic and drive further cost structures. In B2C, retail optimisation initiatives will drive channel strategy and accelerate the shift from gross adds to smart adds, improving acquisition quality, retention, and customer lifetime value. Additional enterprise-wide levers, including contract optimisation, energy efficiency initiatives, and backhaul rationalisation will further reinforce a more resilient operating model.

Drive Operational Excellence

Estimated three-year sustainable cost savings



Note: Others include Retail Consolidation, Traffic Optimisation, Contract Negotiation, Energy Optimisation, Backhaul Efficiency

We continue to shape a more agile, cost-efficient, and productive organisation, reinforcing OE as a sustained competitive advantage. By embedding a proactive, data-driven operating model, we are unlocking best-in-class cost efficiency and greater organisational discipline. This strong foundation keeps us firmly on track to deliver steady-state annualised cost savings of RM800 million post-2027.

LEVERAGING TECHNOLOGY AND INNOVATION FOR BUSINESS EFFICIENCY AND SERVICE EXCELLENCE

Enhancing experience, efficiency, and workforce productivity with AI-driven initiatives

Elevating customer experience with AI

We scaled AI across customer operations to raise service quality, reduce workload, and create more intuitive journeys. Smart automation and AI-driven insights improved case management and agent quality assurance, sustaining strong service levels and lifting the Customer Satisfaction (CSAT) score above 80%. A major improvement was the automation of the IMEI unblocking process, reducing turnaround time from two days to under one hour.

Our Unified Customer Data Platform now operates as the intelligence engine behind personalised, predictive, and seamless interactions. Across channels – including AI Hub engagements, WhatsApp AI support, and a unified agent dashboard – frontliners gain real-time insights and guided decision support, transforming contact centres and retail outlets into frictionless, insight-driven experience hubs.

Scaling agentic automation for productivity

To drive organisation-wide efficiency, we expanded in-house AI and agentic automation capabilities, expanding the competencies of our virtual employee SOPHIA and deploying more than 350 automations across multiple functions. These tools eliminate repetitive work, enhance workforce capacity, and serve as co-pilots to employees, enabling a sharper focus on strategic activities.

Deployments include Legal AI tools supporting automated scope generation and contract review, a Financial Justification Builder to produce complete business case presentations in minutes, and AI-enabled enhancements in campaign planning, content generation, threat detection, and predictive incident response. These solutions demonstrate disciplined AI execution that lifts productivity and embeds future-ready capabilities across the organisation.

Drive Operational Excellence

Technology-driven OE Milestones

350+ automations
deployed enterprise-wide

SOPHIA virtual employee
expanding across business and support functions

STREAMLINING OPERATING MODEL AND ORGANISATIONAL STRUCTURES TO DRIVE SIMPLICITY AND EFFICIENCY

In the year, we strengthened our operating framework for customer care with support from a new and experienced care partner, enabling us to integrate support processes and harmonise service delivery across touchpoints. This new model drove service consistency, improved response times, and enabled our frontliners to deepen their knowledge, tools, and best practices in next-generation customer experience. Within sales and retail distribution, we introduced a cost-efficient channel model that enhances partner effectiveness, sharpens last-mile execution, and ensures our refreshed network and digital assets are fully leveraged to reach customers more effectively.

We advanced our network operations to an enhanced hybrid operating model designed to build a more autonomous, AI-enabled, and data-driven network to strengthen internal competencies. We partnered with a global leader in managed services to bring advanced capabilities and tools to accelerate our progression towards an intelligent, self-optimising network. These changes reinforce our commitment to delivering best-in-class service experiences and establish the operating foundations required for long-term performance.

At the organisational level, we continued streamlining structures to ensure the company remains agile, future-ready, and equipped with the right capabilities to execute our growth strategy. Our structural enhancements focused on driving high-performing teams, supported by leaner operations, automation, strategic partnerships, and strong governance discipline. We concentrated resources on capabilities that drive future growth, namely network intelligence, digital engineering, data and AI, enterprise solutions, and digital-first customer engagement. In addition, we also simplified layers and accountability to strengthen cross-functional execution. We strengthened governance structures to ensure discipline, transparency, and responsible oversight across contracting, customer operations, technology transformation, and vendor ecosystems. Through these targeted, strategic initiatives, we continue to reshape the company into a modern, efficient telco-tech organisation with enhanced agility, deeper digital capabilities, and a resilient operating model, supporting our long-term ambition of delivering excellent customer experience.

INVEST
FOR THE FUTURE

GUIDING FACTORS

Material Matters

EC1 EC2 EC3 G1 S2 S3

Capitals Deployed

Stakeholders Affected

UNSDGs

CelcomDigi is future-proofing the business through targeted investments in autonomous technology, AI and data-driven capabilities, and workforce excellence. These investments strengthen our ability to execute on our strategy, adapt to market changes, and secure long-term value.

FUTURE-PROOFING AN AUTONOMOUS TECHNOLOGY FOUNDATION

Delivering Malaysia's widest, fastest, most secure network

We operate Malaysia's widest, fastest, and most secure network following a nationwide integration and modernisation programme that is over 90% complete, delivering an improved experience for all users.

Our new assignment of 2x5MHz of the 1800MHz and 2x20 MHz of the 2600MHz spectrum frequency bands further enhances our spectrum portfolio and elevates our network capabilities and quality of experience for customers. This enables faster speeds, stronger indoor quality, and more efficient traffic management as data usage continues to accelerate.

Network integration and modernisation programme

- >90% of network integration and modernisation completed
- Integrated more than 14,500 sites
- Boosted 4G speeds by 64%

Population coverage

- 4G LTE: 97.9%
- 4G LTE-Advanced: 95.6%
- Combined fibre footprint: 31,364KM (including Celcom Timur Sabah)

Average monthly data consumption

- 42GB per user

To deliver the fastest next-generation experience, we are advancing 5G service readiness by improving onboarding, ensuring consistent performance monitoring, and accelerating the rollout of new use-case-driven services.

AI and analytics are increasingly used to predict performance issues, reduce downtime, and keep our network running at peak quality. To build on these capabilities, we deploy energy-efficient technologies and AI-driven energy optimisation to ensure sustainable network operations while improving service performance.

CelcomDigi continues to pilot advanced innovations to stay ahead of future demand. These include initiatives such as AI for real-time operations and optimisation, programmable network APIs for developers and enterprises, expanded IoT capabilities, and early quantum-resistant security measures.

AI-Native and Autonomous Operations

Advancing towards AI-native, self-optimising network operations that predict faults, dynamically allocate resources, and minimise service disruptions.

5G Service Readiness & Differentiation

AI-enhanced performance monitoring and service assurance to support differentiated 5G plans, device optimisation, and rapid rollout of new use-case-driven services for consumers and enterprises.

Expanded IoT Capabilities

Intelligent management of large-scale, low-power, and mission-critical IoT deployments across industries, ensuring reliable performance for high density device environments.

Invest for the Future

Strengthened Digital Trust

Security enhanced with AI-driven threat detection, scam prevention, and traffic intelligence to safeguard customer trust and maintain high service reliability. Pilot projects to explore quantum-resistant encryption methods to future-proof customer data and critical infrastructure against emerging cybersecurity threats.

AI-Driven Energy Optimisation

Using AI to reduce energy consumption across network assets while sustaining performance, supporting long-term sustainability and responsible business commitments.

Accelerating IT modernisation and AI automation initiatives towards operational excellence

CelcomDigi made strong progress in modernising its core IT landscape, reinforcing the digital foundation needed to support high-performance networks, rising data demand, and AI-driven business operations.

As one of the most complex IT transformations undertaken in Malaysia, CelcomDigi's IT consolidation efforts have surpassed 80% completion, and continue to progress steadily. Major milestones include the upgrade of the Distribution Management System (DMS). This upgrade integrated 10 legacy systems, streamlined operations for over 150,000 partners and outlets nationwide, migrated more than 100 million inventory records, and validated system stability through over 10,000 test cases.

In parallel, we advanced the final phases of upgrading Enterprise Resource Planning (ERP), billing, and Customer Relationship Management (CRM) systems. These transformations strengthen service reliability, increase operational agility, and support a unified digital operations ecosystem.

We continued to scale AI-powered automation, improving predictive analytics, reducing service restoration times, and enhancing operational responsiveness.

In 2025, we deployed more than 40 RPA and AI-driven use cases including solutions such as IDA, an AI-powered semantic search tool to enable faster and more accurate knowledge retrieval across key repositories in the billing and CRM, DMS, and ERP systems. AI-assisted guidance was also introduced for test data preparation, helping teams improve form accuracy and reduce preparation time.

AI capabilities are further enhancing troubleshooting and software quality assurance. Our AI Troubleshooter analyses system logs to identify potential root causes and suspicious patterns, improving Mean Time to Restore (MTTR) by 30%-50%. AI agents also support automated test case generation through Testing Satisfaction Agent (TESA), delivering more comprehensive quality assurance coverage, while AI-driven API test generation converts system schemas into runnable Postman collections, significantly accelerating testing cycles and development efficiency.

Improving IT service levels, resilience and recovery

We expanded the use of AI-enabled automation and cloud technologies to improve service efficiency and strengthen business responsiveness. These upgrades allow us to detect issues earlier, automate incident handling, and accelerate recovery, minimising the impact on critical IT services during disruptions.

- Implementing consistent Service Level Agreement (SLA) performance frameworks across all technology partners to uphold the highest level of infrastructure quality.
- Applying robust IT performance indicators to strengthen monitoring, improve service reliability, and ensure timely delivery across all platforms.
- Enhancing governance practices through regular steering committee sessions with partners to review outcomes, resolve operational challenges, and prioritise improvements.

ACCELERATING AI, DATA AND 5G INNOVATION

Deploying 5G-AI enterprise solutions through strategic partnerships

The CelcomDigi AI Experience Centre (AiX) is a state-of-the art 5G and AI experience centre, created to catalyse industry transformation through immersive showcases, collaborative innovation, and real-world pilot deployments. Collaborating with global technology leaders, local partners, and industry stakeholders, we transform emerging technologies into deployable, industry-ready applications that enable solutions across a range of use cases, and adoption of these at scale. This partnership-driven model turns collaborations into commercial outcomes, positioning CelcomDigi as a catalyst for Malaysia's digital economy and a trusted partner in delivering next generation connected solutions. This is part of CelcomDigi's 5-year commitment to invest up to RM250 million through AiX, keeping Malaysia at the forefront of global digital evolution.

Invest for the Future

CelcomDigi AiX: National platform for 5G-AI solutions innovation

A robust partner ecosystem supporting scalable deployment

- 56 global and local partners powering AiX's collaborative development model.
- 61 readily deployable solutions across eight key verticals: smart cities, logistics, healthcare, agriculture, education, manufacturing, fleet, and cybersecurity.
- 28 solutions in live enterprise pilots with Malaysian enterprises, proving immediate business impact and commercial readiness.

Delivering enterprise-ready solutions to the market

- **Smart Cities:** AI-powered neural network traffic intelligence deployed with municipal councils for real-time congestion optimisation and predictive traffic control.
- **Digital Financial Security:** Network APIs for secure SIM based authentication in partnership with PayNet, reducing fraud risk for high-volume platforms.
- **Digital Healthcare:** Empowering underserved communities by connecting rural clinics with AI-supported diagnostics through MediRover and MediDoc in collaboration with HPUNIMAS.
- **Green Mobility:** Collaborating with JomCharge and chargEV to accelerate EV charging infrastructure rollout.
- **Autonomous Logistics and Warehousing:** AI-driven robotics, predictive fleet optimisation, and autonomous warehouse models showcased under the Bengkel Innovasi GLC (BIG) programme.

A proven platform recognised by industry leaders

- Conducted 352 curated tours for industry stakeholders, government agencies, investors, and academia.
- 5,200 visitors from 175 companies and 34 universities, including delegations from Indonesia, Singapore, Canada, Germany, Uzbekistan, Bangladesh, Cambodia, and China.
- Awarded Centre of Excellence in AI (Business Today Awards 2025) and GSMA Digital Nation recognition.

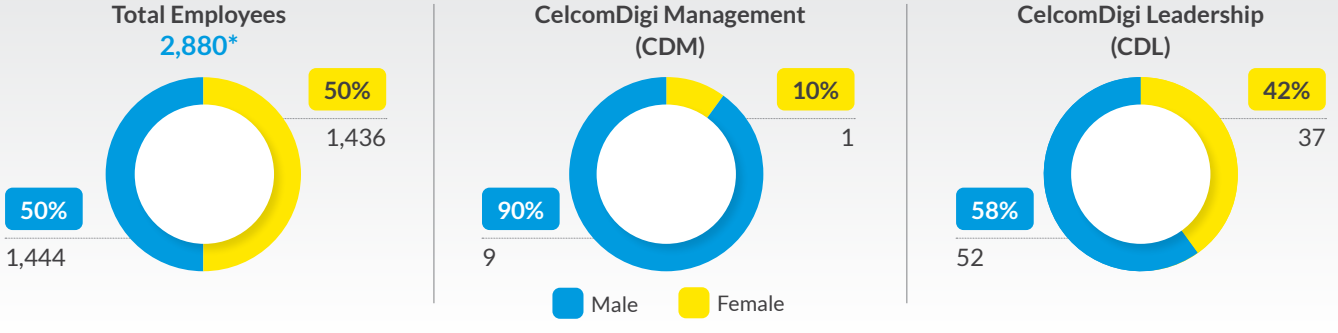
BUILDING A HIGH-PERFORMING AND HIGHLY COMPETENT FUTURE-READY WORKFORCE

CelcomDigi continued investing in human capital in 2025, supporting sustainable growth and business performance. We remained focused on strengthening a high-performance culture, building future-ready capabilities, and creating a safe and responsible workplace environment.

Guided by the CelcomDigi Way (CD Way) values and behaviours, we focused on cultivating a progressive, dynamic, and performance-driven organisation anchored on collaboration, accountability, inclusion, and customer obsession. This is underpinned by cultivating a workforce that reflects and serves our diverse customer base across Malaysia.

Our workforce

Breakdown by gender and category



* Permanent and Full-time Equivalent (FTE) employees

Comprehensive data on workforce composition, employee demographics, new hires, turnover, learning and development, parental leave, and leadership representation can be found in the ESG Performance Data Table on pages 82 to 87.

Invest for the Future

Enabling opportunities for all

- Our People Policy reinforced our commitment as an equal opportunity employer, ensuring diversity and inclusion as well as minimising bias across all people-related processes.
- We have set a target of 40% female representation in Management and senior leadership roles by 2028, from 37% currently.
- We conducted regular 'equal pay for equal work analysis' assessments supported by market benchmarking tools to identify and address any gender pay gaps.
- Developed targeted awareness initiatives, including International Women's Day engagements and Unconscious Bias sessions, to reinforce inclusive behaviours across the organisation.

Driving accountability and execution excellence

We continued to strengthen our culture by reinforcing strategic clarity and execution discipline across all levels. With our HR frameworks fully embedded post-integration, performance management plays a central role in aligning individual contributions with business priorities and delivering consistent outcomes.

We strengthened performance clarity by transitioning to individual performance management frameworks, reinforcing ownership and results-driven outcomes anchored on clear, measurable goals. Continuous performance conversations enabled timely feedback and course correction, while sharper ways of working improved prioritisation, coordination, and execution speed. Leadership accountability is reinforced in both business delivery and modelling the CelcomDigi Way, supported by regular townhalls, CEO updates, leadership forums, and on-ground engagements such as Customer Day and engagement with dealers to drive alignment. In parallel, we strengthened our leadership pipeline through structured talent reviews, active successor identification, and targeted development to build future-ready leaders.

Together, these efforts strengthened our performance systems and reinforced a results-driven mindset, building an environment where high performance is clearly defined, fairly assessed, and consistently rewarded.

Nurturing industry best talents

We continued to invest in the growth and development of our people, recognising human capital as a long-term investment critical to sustaining performance and enabling future transformation. As we strengthened our position as a telco-tech company, we focused on building digital, technical, and leadership capabilities essential for a data-driven, AI-enabled environment.

Employee learning hours

Total learning hours: 102, 866 hours*

2024: 55,143 hours

Notes: Based on total employees under active employment as of 31 December 2025. Includes permanent, FTE and outsourced employees

Comprehensive data on average training hours by gender and levels can be found in the ESG Performance Data Table on pages 82 to 87.

Embedding talent development a company-wide priority

- Prioritised development planning as a top people agenda, ensuring all employees have an Individual Development Plan (IDP) and completed at least one development activity during the year.
- This was supported by a two-pronged learning approach combining division-led and employee-driven learning, anchored by the CelcomDigi Academy, with access to diverse opportunities including internal mobility, coaching and mentoring, and cross-functional projects.

Strengthening critical and emerging skills to create a future-ready workplace

- Comprehensive, development-driven training delivered through classroom sessions and online programmes, building critical competencies in 5G, AI for Business Applications, Data Analytics & Communication, and Project Management.
- Rolled out internal expert-led AI programmes and project-based learning.

Invest for the Future

Deepening leadership and talent pipelines

- Developed 300+ leaders through customised programmes like ELEVATE Leadership Development Programme and PRIME Leadership Development Programme, as well as other thematic leadership programmes and coaching interventions across the Next 10 and Next 100 tiers.
- Accelerated high-potential development under the Next 1000 tier through GRIT (Growth, Resilience, Innovation and Transformation), a customised programme preparing talents to leverage their strengths and deepen business and technology insights (4 cohorts, 93 CDzens).

Fostered collaboration, trust, and open conversations

- Company-wide engagement platforms such as CDlympics, Customer Obsessed Day, and divisional team buildings strengthened collaboration and team spirit.
- Leveraged Workvivo as our central digital engagement platform to deliver timely company updates and enable real-time, two-way communication across the organisation.
- Institutionalised structured listening mechanisms to enable safe, open conversations, including the Employee Engagement Survey (97% participation), focus groups, and leadership listening sessions.

Further details on workforce wellbeing, ethical conduct, labour and human rights practices, and occupational health and safety are set out in the Sustainability Statement on page 55.

Building an attractive employer brand to attract talent

CelcomDigi continued to strengthen its position as an employer of choice by offering meaningful careers within a progressive, performance driven, and purpose-led organisation. Anchored on our employer value proposition, "Grow with Purpose, Build with Trust", we aimed to attract, engage, and retain talents who aspire to grow, innovate responsibly, and contribute to advancing Malaysia's digital future.

In the talent market, we strengthened our presence through the launch of the CD:NXT Programme, a flagship initiative to develop Malaysia's next generation of digital leaders by equipping 5,000 youths with future-ready skills for a 5G- and AI-powered economy. Delivered through platforms such as the Young Talent Programme, UniConnects, and the Student Ambassador Programme, it drove strong engagement across students and graduates. This was further reinforced through strategic partnerships with leading public and private universities to co-create industry-relevant learning pathways, enhancing graduate employability and strengthening Malaysia's digital talent pipeline.

Recognitions and awards received:

SEEK People Purpose Award

- Top Voted Employer in Telecommunication – *Platinum*

Graduan Brand Awards 2025

- Top 15 Malaysia's Most Preferred Employer

HRD Award

- Large Employer Category (Central Region - Legacy)

TalentBank

- Malaysia's Top 1% Graduate Employers to Work for in 2026

HR Excellence Awards

- Excellence in Digital Transformation – *Gold*
- Excellence in HR Change Management – *Gold*
- Excellence in Recovery & Rebound Strategy – *Silver*
- Excellence in Business Transformation – *Silver*
- Excellence in AI-Powered HR Solutions – *Silver*
- Excellence in Employee Advocacy and Brand Ambassadors – *Silver*

Life at Work Award by Talentcorp

- Corporate Social Responsibility (International Organisation/ Public Listed Company - *Gold*
- Best Organisation – 1st Runner Up

Enabling secure connections that create possibilities

Bringing individuals and communities together for greater things while keeping them safe



Mohd Wann Nazreen Bin Mohd Faiz Wan, Production Studio Specialist, leads internal productions to shape meaningful and engaging content that connects CDzens to our purpose and strategy.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the Board) of CelcomDigi is committed to upholding robust corporate governance practices that foster effective leadership, support long-term value creation, and promote transparent sustainability practices and reporting. Drawing on the diverse expertise and extensive industry experience of its members, the Board provides strategic oversight, drives innovation, and ensures value creation for shareholders. To support these responsibilities, the Board has established a comprehensive governance framework to guide the Group's governance practices.

This framework clearly delineates the responsibilities of the Board and Management Committees, in line with the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities), the Malaysian Code on Corporate Governance (MCCG) 2021, and relevant international standards. Key guiding documents – including the Board Charter, Limits of Authority (LOA) matrix, and governance policies – reinforce this governance structure. Annual reviews are undertaken to ensure continued alignment with the organisation's strategic priorities and transformation initiatives.

Stakeholders are encouraged to read this Corporate Governance Overview Statement (CG Overview Statement) along with the Corporate Governance Report (CG Report), which details the application of governance practices and any identified departures. The CG Report is available on our website at https://corporate.celcomdigi.com/annualreport.

As at 31 December 2025, CelcomDigi has applied the majority of practices set out in MCCG 2021. While certain areas, namely board independence, the tenure of Independent Directors, and disclosure of Senior Management remuneration are not yet fully aligned, the Board continues to address these through a phased approach and transparent decision-making processes in relation to Board composition and Senior Management remuneration.

The Company will be adopting a nine-year tenure limit for Independent Directors in its Board policy, in line with MCCG Practice 5.3.

2026 Strategic Priorities

The Board has identified the following key priorities for 2026:

- **Integration and synergy:** Completing the final phase of integration and maximising merger synergies.
- **Strategy execution:** Implementing strategic initiatives to strengthen market leadership, enhance customer experience, drive operational excellence (OE), and invest for the future.
- **Stakeholder engagement:** Managing the business environment and relationships effectively to support organisational goals.
- **Governance and compliance:** Upholding high standards of governance, regulatory adherence, risk management, sustainability, and operational excellence.

Internalising Governance and Integrity

The Board upholds ethical conduct and integrity as the cornerstone of sustainable and responsible business practices. CelcomDigi embeds these principles in leadership and decision-making to ensure consistent application across the Group, safeguarding stakeholder interests and reinforcing organisational resilience.

CelcomDigi has strengthened its commitment by establishing a comprehensive framework encompassing the Code of Conduct, Anti-Corruption Policy, Whistleblowing Policy, and Business Partner Conduct Policy. These policies set clear and mandatory standards of conduct for all directors, employees, and business partners. The Company reaffirms its steadfast commitment to integrity, transparency, and accountability in all aspects of its operations through continuous awareness efforts and by nurturing a culture of good governance.

Embedding Sustainability

CelcomDigi embeds sustainability into its core business strategy, ensuring that ESG considerations are integrated into decision-making processes and aligned with the Group's purpose and values. In the short to medium term, we are focused on:

a) Mitigating social risks, including scams and unethical use of AI, through appropriate safeguards and embedding of responsible AI principles across use cases, awareness initiatives, and technology use.
b) Strengthening stakeholder engagement by enhancing transparency and applying insights from the 2025 materiality assessment.
c) Reducing emissions and enhancing energy efficiency across network operations by setting science-based emissions reduction targets and implementing related initiatives in line with the Science Based Targets initiative (SBTi).

Corporate Governance Overview Statement

d) Advancing value chain sustainability by establishing a Scope 3 emissions baseline and collaborating with partners to drive emissions reduction.
e) Fostering innovation by continuously improving sustainability practices, advancing governance standards through maturity assessments, and adapting to evolving global standards and stakeholder expectations.
f) Strengthening ESG governance, assurance, and disclosure quality by aligning with emerging regulatory and IFRS S1 and S2 reporting frameworks, alongside enhancements to data integrity and controls.

CelcomDigi embeds these principles within its organisational culture and long-term value creation approach through the integration of governance, integrity, and sustainability across its operations. This commitment reinforces the Group's position as a responsible and forward-thinking organisation, dedicated to sustainable growth and stakeholder trust.

Principle A Board Leadership and Effectiveness

As custodians of corporate governance, the Board is committed to fostering an ethical culture rooted in integrity, upholding effective internal controls, and supporting sound decision-making processes. This commitment underpins our continued success and the sustainable value delivered to our stakeholders.

Board Charter

The Board operates under a clearly defined Charter and Terms of Reference (TOR), which outline the respective roles and responsibilities of the Board and its Committees. These documents serve as key references for Directors, reinforcing expectations to support discharging their duties effectively and responsibly.

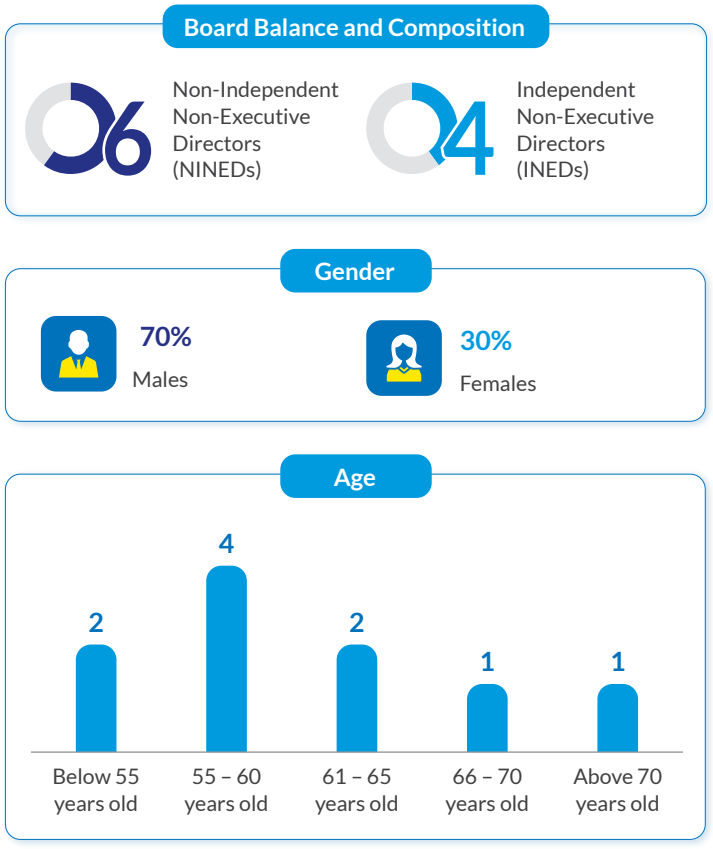
The Charter is reviewed annually to ensure its continued relevance, alignment with regulatory requirements, and reflection of best governance practices. The Board reviewed the Charter on 21 March 2025 and concluded that it remains relevant and does not require any amendments. The Board Charter is available on our corporate website at https://celcomdigi.listedcompany.com/corporate_governance.html

Code of Conduct (the Code)

The Code serves as the cornerstone of CelcomDigi's ethical framework, guiding decision-making and setting clear expectations for the culture and daily conduct of all employees and those acting on behalf of CelcomDigi, including the Board and CelcomDigi's business partners. The Code reflects a shared commitment to uphold high ethical standards. The Board remains steadfast in adhering to these standards, upholding the highest standards of integrity, professionalism, and accountability.

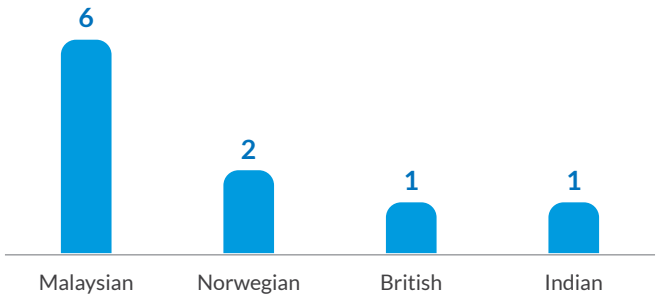
Board Composition

CelcomDigi's Board is structured to provide an appropriate balance of skills, experience, perspectives, and independence. This enables the effective discharge of the Board's collective responsibilities, particularly during periods of heightened strategic and operational complexity. The Board composition reflects the Company's shareholding structure and also ensures the Board has access to relevant sector experience to guide key priorities. The Board's governance framework is supported by established Board Committees with appropriate independence and defined TOR, as well as robust processes for managing conflict of interest and related-party transactions. The Board Nomination and Remuneration Committee (BNRC), together with the Board Chair, undertake regular reviews of the Board's composition and succession planning, making recommendations to the Board to support continued effectiveness and alignment with governance best practices. Further details of the BNRC's activities are set out in the BNRC Report.



Corporate Governance Overview Statement

Nationality Diversity



Board Skills and Expertise



Note: The Board's area of skills and experience are based on the Directors' Board Effectiveness Evaluation 2025

Length of Service

Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	3 years 2 months
Jon Omund Revhaug	1 year
Rita Skjaervik	3 years 3 months
Irfan ul Wahab Khan	less than a year
Vivek Sood	3 years 2 months
Nik Rizal Kamil Nik Ibrahim Kamil	1 year 1 month
Vimala V.R. Menon	10 years 8 months
Datuk Iain John Lo	4 years 10 months
Khatijah Shah Mohamed	3 years 3 months
Tunku Alizakri Raja Muhammad Alias	less than a year

Note: The information above is reported as at 13 March 2026

Board Roles and Responsibilities

The Board manages the Group's performance with accountability and efficiency, acting in the best interests of the Company and fulfilling its duties to shareholders. The Board collaborates closely with Management in pursuing long-term opportunities while maintaining a clear separation of roles between the Chair and the Chief Executive Officer (CEO) to ensure an effective balance of power.

As Chair of the Board, Tengku Dato' Sri Azmil Zahruddin provides strategic leadership and oversight for the Group, supported by Jon Omund Revhaug as the Deputy Chair. Datuk Idham Nawawi, who served as CEO until 31 August 2025, was responsible for leading the Group's day-to-day operations and strategic execution during his tenure. Following Datuk Idham's departure, Albern Murty, then Deputy CEO, assumed the additional responsibilities of Acting CEO, effective 1 September 2025, and has since led the Group's day-to-day operations, strategic delivery, and operational performance in line with Board-approved strategic plans. He was subsequently appointed CEO of the Company with effect from 10 February 2026.

The Board Audit Committee (BAC), BNRC, and Board Governance and Risk Management Committee (BGRMC) assist the Board in discharging its oversight responsibilities. The Chairs of these Committees report their deliberations and recommendations to the Board for consideration and approval. Transparency is further reinforced through the circulation of meeting minutes and detailed updates from each Committee Chair, ensuring the Board remains fully informed and aligned with the Group's strategic objectives.

Corporate Governance Overview Statement

Overview of Board Roles

Roles and Responsibilities	
1. Chair of the Board	• Ensures orderly conduct and effective functioning of the Board • Oversees the Board's effectiveness in areas of strategy, governance, risk management, and compliance • Leads Board meetings, sets meeting agendas, and encourages open and constructive discussions among Directors • Engages regularly with the CEO to obtain operational insights • Ensures effective communication between the Board and shareholders
2. Deputy Chair of the Board	• Assists the Chair in fulfilling Board leadership responsibilities • Presides over Board meetings in the absence of the Chair to ensure continuity of governance and decision-making
3. Independent Non-Executive Directors (INEDs)	• Provides independent and objective perspectives, constructively challenging the Senior Management team • Maintains independence by exercising sound judgment and ensuring unbiased relationships • Safeguards the interests of minority shareholders • Scrutinises and challenges Senior Management's performance in executing the Group's strategies
4. Non-Independent Non-Executive Directors (NINEDs)	• Contributes to the Board's effectiveness in strategy, governance, risk management, and compliance • Acts objectively in the best interests of the Company, while remaining independent of Management influence

Matters Reserved for the Board

- Review, approve, and adopt CelcomDigi's strategic plans and annual performance targets
- Oversee and assess the conduct and performance of the Group's business operations
- Declare dividends and approve financial statements as well as annual and quarterly reports to ensure accuracy and integrity in reporting
- Review and approve strategic investments, mergers and acquisitions, divestments, and other corporate exercises
- Oversee material acquisitions and disposal of assets that are not in the ordinary course of business
- Review the adequacy and effectiveness of CelcomDigi's internal control and risk management systems
- Review and approve succession planning for CelcomDigi's leadership
- Identify, monitor, and mitigate principal risks affecting the Group
- Approve changes to CelcomDigi's key policies, procedures, and LOA

Key Features of the Board

- Clear distinction between the roles of the Chair of the Board and the CEO
- The Chair of the Board does not serve as a member of any Board Committee
- Members of the Senior Management team do not hold positions on the Board
- Board diversity requirements are upheld, with particular emphasis on gender balance, reflected in the presence of three women Directors representing 30% of the Board

CelcomDigi upholds the independence of the Board Chair by regulating committee memberships, thereby strengthening Board governance and ensuring objectivity in the observations and recommendations made by the Board Committees.

Corporate Governance Overview Statement

Board Access to Management, Company Secretaries, Information and External Experts

Transparency and informed decision-making are supported by the Board's direct access to the Senior Management team and unrestricted access to relevant business information across the Group.

In accordance with Section 235 of the Companies Act 2016 (the Act), the Company Secretary is qualified to provide comprehensive support to the Board. The Company Secretary attends all Board and Board Committee meetings, prepares minutes, and offers regulatory guidance on the Act, the MMLR of Bursa Securities, and other applicable obligations, enabling Directors to discharge their responsibilities effectively. The Company Secretary remains abreast of regulatory developments and corporate governance best practices through continuous professional development. The Board is satisfied that the Company Secretary has performed their role effectively and provided the necessary advice and support to facilitate the Board's functioning.

Meeting materials are distributed securely via an electronic Board portal, ensuring timely access at least twelve days before Board meetings and seven days before Board Committee meetings. Board calendars and agendas are scheduled in advance. Directors are expected to attend all scheduled Board, Committee, and general meetings, while ad hoc meetings may be convened for urgent matters in consultation with the Chair and Deputy Chair. The Board and its Committees may also seek independent professional advice or external expertise, when necessary, with all related costs borne by the Company.

Board Meetings

Directors are expected to attend all Board meetings unless exceptional circumstances prevent their participation. A meeting calendar is prepared and presented to the Board well in advance to facilitate effective planning and time management. In 2025, a total of six Board meetings and eight Special Board meetings were held. The attendance record of each Director is presented below.

Name of Director	Number of Board Meetings Attended	Percentage of Attendance (%)
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz *(Chair, NINED)*	14/14	100
Jon Omund Revhaug *(Deputy Chair, NINED) (Appointed on 21 March 2025)*	10/11	91
Rita Skjaervik *(NINED)*	14/14	100
Irfan ul Wahab Khan *(NINED) (Appointed on 30 April 2025)*	11/11	100
Vivek Sood *(NINED)*	11/14	79
Nik Rizal Kamil Nik Ibrahim Kamil *(NINED) (Appointed on 12 February 2025)*	12/14	86
Vimala V.R. Menon *(INED)*	14/14	100
Datuk Iain John Lo *(INED)*	14/14	100
Khatijah Shah Mohamed *(INED)*	14/14	100
Tunku Alizakri Raja Muhammad Alias *(INED) (Appointed on 30 June 2025)*	9/9	100
Tan Sri Abdul Farid Alias *(INED) (Resigned on 30 April 2025)*	3/3	100
Kasper Wold Kaarbø *(NINED) (Resigned on 30 April 2025)*	3/3	100
Haakon Bruaset Kjoel *(Deputy Chair, NINED) (Resigned on 21 March 2025)*	3/3	100
Dr Shridhir Sariputta Hansa Wijayasuriya *(NINED) (Resigned on 12 February 2025. The Board meeting held on the same date took place after his resignation.)*	-	-

Corporate Governance Overview Statement

The Board is satisfied with the level of attendance and time commitment demonstrated by all Directors in the discharge of their responsibilities during the year. Each Director has devoted sufficient time to prepare for, attend, and actively participate in Board and Committee meetings, reflecting their dedication to effective oversight and governance of the Group.

39.2 hrs
Total hours of Board meetings

97%
Overall % of Board meetings attended by Directors

92.26 hrs
Total hours of Board and Board Committee meetings

Summary of Board Activities

In 2025, the Board focused on five key areas:

	Activities
Strategy	• Reviewed and approved the Group Strategy plan, ambitions, and targets • Oversaw the implementation of the Group strategy and business plan • Approved the 2025 Company Scorecard and 2024 Corporate Scorecard Closing • Approved the 2026 Business Plan • Approved the 2026 Company Scorecard • Reviewed and discussed network and IT/System integration • Approved the IT Operating Model • Discussed 5G-related matters, including 5G access, DNB equity, and funding arrangements • Assessed and approved the Group's current financing position and financing strategy • Discussed succession planning
Financial Performance	• Approved Quarterly Financial Results and Quarterly Interim Dividend • Reviewed and approved Audited Financial Statements for FY2024 • Approved Related Party Transactions (RPTs) and/or Recurrent RPTs by CelcomDigi Group • Approved the Revised Limits of Authority • Recommended appointment of PricewaterhouseCoopers PLT as external auditor for FY2025
Risk and Internal Controls	• Performed oversight review of updates on risk, governance, compliance, and sustainability matters • Assessed risk exposures across financial and non-financial areas • Evaluated the effectiveness of internal controls and mitigation measures • Reviewed strategic investment proposals, considering key risks and associated mitigation plans • Approved the Internal Audit Plan for 2025 and 2026 • Endorsed the Statement on Risk Management and Internal Control for inclusion in the 2024 Integrated Annual Report

Corporate Governance Overview Statement

	Activities
Governance	• Approved the Directors' and Officers' Insurance arrangements • Reviewed compliance with the MCCG, the Act, and MMLR of Bursa Securities • Approved the Integrated Annual Report 2024 and CG Report • Approved Circular to Shareholders in relation to the Proposed Renewal Shareholders' Mandate for Recurrent RPTs • Analysed Performance Evaluation for Board and Board Committee members • Approved the 2024 STI Achievements for CEO, Senior Management, and Office Bearers • Noted updates on governance, compliance, sustainability, cybersecurity, privacy, and regulatory matters • Received minutes of Board Committee meetings • Approved convening the 28th Annual General Meeting (AGM) • Recommended payment of Directors' fees and benefits payable to Non-Executive Directors for shareholder approval • Recommended Directors to stand for re-election at the AGM • Reviewed the Terms of Reference (TOR) of BAC, BGRMC, and BNRC, as well as Board Charter, CEO Charter, Fit and Proper Policy, and other policies • Reviewed and discussed governance on the Non-Wholly Investment Manual • Reviewed and discussed regulatory matters • Reviewed and approved changes in Directors and Senior Management across the company, subsidiaries, and investment companies • Approved Board and Board Committees' calendar and meeting plans for 2026
Sustainability	• Approved ESG Materiality Matrix and reviewed IAR 2024 reporting • Reviewed ESG programmes, targets, and activities • Approved submission of the Science Based Targets Initiative (SBTi) for target validation

Board Appointment Process

The Board holds principal responsibility for all appointments, acting on the recommendations of the BNRC. The Board adopts a meticulous and structured appointment process in discharging this responsibility, ensuring that the selection of Directors aligns with the Company's values, strategic objectives, and governance standards.

In line with the company's Fit and Proper (F&P) Policy, appointments prioritise diversity, merit, and objective criteria to ensure a balanced mix of personalities, skills, experience, and backgrounds in line with approved selection standards. This process maintains an effective Board composition that supports robust decision-making and sustainable value creation for stakeholders.

The BNRC plays a key role in defining the required competencies and specifications for potential candidates. The Company may engage external recruitment consultants, when necessary, to assist in identifying and evaluating qualified individuals. The Board considers the existing appointment process to be adequate, as it includes a thorough evaluation of each candidate's skills, experience, competencies, and knowledge. Each appointment is also subject to comprehensive and independent legal due diligence to ensure regulatory compliance and to mitigate potential risks.

The BNRC periodically reviews the Board composition and succession pipeline to promote Board renewal and succession planning, identifying potential gaps and ensuring the Board continues to possess the appropriate balance of skills and expertise to support the Group's long-term strategy.

Corporate Governance Overview Statement

Overview of the Process:

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
Identification of required skills and experience	Selection and preliminary assessment of candidate(s)/ Director(s)	Evaluation based on the criteria outlined in the F&P Policy	Interaction with candidate(s)/ Director(s)	BNRC's deliberation and confirmation of suitability	BNRC's recommendation for the Board's approval	The Board's decision on recommended appointment/ re-election

Board Effectiveness Evaluation (BEE)

As part of its commitment to continuous improvement and sound corporate governance practices, the Board engaged an independent external expert in 2025 to conduct a Board Effectiveness Evaluation (BEE). The evaluation provided an impartial and comprehensive assessment of the effectiveness of the Board in discharging its governance responsibilities and supporting the Company's strategic objectives. The evaluation covered the performance of the Board as a whole, its Committees, and individual Directors.

The evaluation employed a structured methodology that comprised confidential surveys, one-to-one interviews and independent analysis benchmarked against established governance frameworks and comparable Boards. The assessment focused on five dimensions: Board strategy, composition, dynamics, mechanisms, and development. Key areas reviewed included Board leadership and culture, strategy and performance oversight, risk management and internal control, succession planning, Board-management interactions, and the effectiveness of stakeholder engagement.

The independent evaluation concluded that the Board has continued to operate effectively and met its governance obligations, with appropriate structures and processes in place to support informed decision-making. The Board was assessed to be close to an "Advancing" level of effectiveness. Strengths highlighted included an open and respectful Board culture, constructive and professional engagement with Management, meaningful contributions by Independent Directors, effective functioning of Board Committees, and the Board's ability to navigate a complex dual-shareholder context while maintaining focus on the best interests of the Company.

The evaluation also identified several areas for further enhancement. These included the ongoing evaluation of the Board composition and practice, rebalancing Board agendas to allow deeper focus on long-term strategy and value creation, streamlining governance and reporting mechanisms, deepening Board–management engagement outside formal meetings, and evolving Board skills and development to support future strategic ambitions, particularly in emerging technologies and continued complexity of the 5G situation in Malaysia.

The Board reviewed the findings of the evaluation and concurred with its key observations and recommendations. The Board agreed that insights from the BEE would inform its ongoing governance enhancements, including Board composition and succession planning, Board and Committee agendas, Director development initiatives, and the refinement of governance processes. Relevant actions will be implemented in a phased and deliberate manner, taking into account continuity, effectiveness, and the Company's strategic priorities.

Corporate Governance Overview Statement

Induction and Continuous Professional Development

The BNRC annually reviews training and development programmes to ensure that Directors remain equipped with the latest knowledge and skills relevant to their roles.

Directors appointed in 2025 have completed the Mandatory Accreditation Programme (MAP) Part I. All Directors have also completed MAP Part II on Leading for Impact within the required timeframe.

In addition to MAP, Directors actively participated in various continuous professional development activities, including seminars, workshops, conferences, and webinars covering corporate governance, regulatory updates, industry developments, digital transformation, ESG, and risk management. Directors also attended role-specific programmes, where relevant, to support their responsibilities as Board or Committee Chairs.

The BNRC monitors and reviews the effectiveness of these programmes to ensure that training initiatives remain relevant and contribute to the continuous improvement of the Board's effectiveness in providing strategic guidance and oversight.

In FY2025, Directors participated in the following training and development programmes:

Name of Director	Programme / Workshop / Seminar
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	• CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness • PwC Corporate Directors' Survey by PricewaterhouseCoopers PLT (PwC) • AI Training for Board of Directors by CIMB Bank Berhad (CIMB) • Risk Management in IT – Cloud Services by CIMB • ICAEW Ethics Course – Ethical Decision Making by Institute of Chartered Accountants in England and Wales (ICAEW) • Board Leadership in Industry Disruption: Steering Companies through Market Shifts by Institute of Corporate Directors Malaysia (ICDM) • Carbon Markets: What Directors Need to Know by Asia School of Business (ASB) • Conflict of Interest: Latest Update on the Main Market Listing Requirements by Sime Darby Berhad • Carbon Markets & Pricing: Insights from the Value Chain by CIMB • Cloud Security Management & Regulatory Expectations by CIMB • Strategy Dialogues on Sustainable Finance with Dr. Ma Jun by CIMB • Dialogue Session with Securities Commission (SC) • Axiata Group Risk & Compliance Annual Conference 2025 by Axiata Group Berhad (Axiata) • Khazanah Megatrend Forum (KMF) by Khazanah Nasional Berhad (Khazanah) • Gemilang Fellowship Mentoring Forum #1 with MKII Fireside Chat by Ministry of Finance and Employees' Provident Fund • PNB Forum Knowledge – Transformation by Permodalan Nasional Berhad • Board Training Session on Islamic Finance by CIMB • AI Development for Board members by CIMB • Chairperson Circle Excellence in Board Leadership – Panelist [Governance and Innovation – the role of the Board Chair in balancing governance and innovation/ value creation to drive organisation success] by Bursa Malaysia Berhad

Corporate Governance Overview Statement

Name of Director	Programme / Workshop / Seminar
Jon Omund Revhaug	• MAP Part I • MAP Part II • CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness
Rita Skjaervik	• MAP Part II • CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness • Board Training Courses: Solid Foundational Board Governance and Corporate Strategy & Development by Norwegian Institute of Directors
Irfan ul Wahab Khan	• MAP Part I • MAP Part II • CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness
Vivek Sood	• Axiata Senior Leadership Meeting on Macro Trends and The Changing World and Leading Through Change and Innovation Workshop by Axiata • CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness • Axiata Group Executive Council on Sustainability Workshop by Axiata • Corporate Governance and Company Law Workshop by Robi Axiata PLC and Tanjib Alam Associates • Axiata Mid-Year Board Retreat on Growth & Creating Value with Shareholders, The "How?" – Future State Option and PE Performance Management & Value Creation by Axiata • Axiata Board Audit Committee (BAC) Forum (Conference) on Resilient Internal Audit, Talent Management & Technology in Navigating VUCA (Volatility, Uncertainty, Complexity, Ambiguity), the Audit Committee's Role in Driving Credible Sustainability Governance, Process & Reporting and Navigating Complexity and Disruption: Whistleblowing, Good Governance & Integrated Assurance by Axiata • Axiata Year End Retreat on Fireside Chat: From Telco to TechCo – Growth in the Age of AI by Axiata • Axiata Group Executive Council on Meta 2026 plans – Authentication and APIs, Meta Auth, Business Messaging by Axiata • Corporate Governance Refresher Session by Robi Axiata PLC • Axiata Group Executive Council on Meta AI Use Cases Workshop by Axiata • Conference: The Gateway to a New Future by Mobile World Congress • Asean Investment Conference by SC • TMT M&A Forum (Conference) by TMT Finance • Digital Transformation World (DTW) Ignite: Ten 100 Strategy sessions on Pathways to Growth (CEO), Unlocking the API Economy, AI – Delivering Impact at Scale, AI in Action: Driving Business Outcomes by DTW • Bangladesh Summit Conference by Dr Yunus and Bangladesh delegation • Axiata Group Executive Council on 5G Workshop by Axiata • GSMA Digital Nations Summit Kuala Lumpur (Conference) by GSMA • IFRS Sustainability Disclosure Standards in Malaysia (Workshop) by PwC • Axiata Group Risk & Compliance Conference 2025 by Axiata • Khazanah Megatrends Conference by Khazanah • Fortune Innovation Forum by Fortune • Sri Lanka Economic & Investment Summit 2025 (Conference) by The Ceylon Chamber of Commerce • AI Workshop by Microsoft

Corporate Governance Overview Statement

Name of Director	Programme / Workshop / Seminar
Nik Rizal Kamil Nik Ibrahim Kamil	• MAP Part II • CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness • Nomura Asean Conference 2025 Kuala Lumpur by Nomura • Axiata Group Risk & Compliance Workshop by Axiata • Media Training Course by Sambal Lab Malaysia • Mobile World Congress Barcelona by GSMA • ASEAN Investment Conference 2025 Kuala Lumpur by SC • ASEAN Finance Track hosted by Khazanah Nasional Berhad/ Panel Session on "A Nation That Creates through Catalysing Ecosystems" by Khazanah • Axiata Senior Leadership Meeting on Macro Trends and The Changing World and Leading Through Change and Innovation Workshop by Axiata • Axiata Group Executive Council on Sustainability Workshop by Axiata • Axiata Group Executive Council on Meta AI Use Cases Workshop by Axiata • Corporate Governance and Company Law Workshop by Robi Axiata PLC and Tanjib Alam Associates • Axiata Mid-Year Board Retreat on Growth & Creating Value with Shareholders, The "How?" - Future State Option, and PE Performance Management & Value Creation by Axiata • Axata Board Audit Committee (BAC) Forum (Conference) on Resilient Internal Audit, Talent Management & Technology in Navigating VUCA (Volatility, Uncertainty, Complexity, Ambiguity), The Audit Committee's Role in Driving Credible Sustainability Governance, Process & Reporting and Navigating Complexity and Disruption: Whistleblowing, Good Governance & Integrated Assurance by Axiata • Axiata Year End Retreat on Fireside Chat: From Telco to TechCo - Growth in the Age of AI by Axiata • Axiata Group Executive Council on Meta 2026 plans - Authentication and APIs, Meta Auth, Business Messaging by Axiata • Corporate Governance Refresher Session by Robi Axiata PLC • Axiata Group Executive Council on sharing on 5G workshop by Axiata • IFRS Sustainability Disclosure Standards in Malaysia by PwC • Global Telecommunications Finance Summit in Italy by PwC • Axiata Group Risk & Compliance Conference 2025 by Axiata • JPM Conference by J.P. Morgan • Budget 2026 exclusive virtual session with Sec Gen of Treasury, Ministry of Finance by Malayan Banking Berhad • ASEAN Business Investment Summit by ASEAN Business Advisory Council • Workshop on National Sustainability Reporting Framework by EY • AI Programme for Directors by Microsoft
Vimala V.R. Menon	• CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness • Climate First… or Last by ASB • AI at the Helm: How Directors Can Govern the Future by ICDM • AI Powered Leadership Conference by ASB • ICAEW Ethics Module 1 to 5.1 by ICAEW • Risk Reimagined by Axiata Group Risk & Compliance • AOB Conversation with Audit Committee by SC
Datuk Iain John Lo	• CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness • Briefing on Tax E-Invoicing for Directors and Tax 2025 Update by Ernst & Young (EY) • Sharlife Advisory for RHB, Shariah Screening and Compliance for Cryptocurrencies • Future Proofing the Board, ISSB Standards and the Next Frontier of ESG Leadership by ICDM • Strategic Success on the Path to Net Zero by Melbourne Business School • Cybersecurity Awareness by PwC

Corporate Governance Overview Statement

Name of Director	Programme / Workshop / Seminar
Khatijah Shah Mohamed	• CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness • AI at the Helm: How Directors Can Govern the Future by ICDM • Axiata Group Risk & Compliance Conference by Axiata • Where is the Edge Market heading in 2025 by STL Partners (STL) • $100Bn by 2030: How NW Automation will unlock NAAS Rev by STL • Telecom Network APIs. What do Developer Really Want by STL • AI RAN: Opportunities & Considerations for Telcos by STL • The Opportunity for Telcos to enable & monetize Enterprise AI by STL
Tunku Alizakri Raja Muhammad Alias	• CelcomDigi Board Workshops: 5G, Strategic Planning, Business Plan, and Organisational Effectiveness • Key Regulatory Developments by EY • Malaysia Takaful Association (MTA) Hijrah Roadshow on Strategic Trusts & Initiatives by MTA • UOB Talk on Innovation by D'Jungle • Exclusive Workshop: Board's Role in Digital Transformation: Putting Words into Action by ASB • Masterclass 8: Future for Climate Solutions: Unveiling Opportunities for Long-Term Carbon Sinks in Sustainable Oil Palm Production by FIDE Forum • Asia 2030 – Kuala Lumpur Roundtable: Emerging Risks and Opportunities – Hosted by Marsh McLennan by Oliver Wyman Forum • PwC AI Leadership Conference 2025 by PwC • Training Session on E-Invoicing and Service Tax by Ratings Agency Malaysia • Board Culture and Leadership Report 2025 by FIDE Forum • AI's Next Wave – Chips, Code, and Localisation by FIDE Forum • MyFintech Week 2025 – Future of Directorship in the Digital Era by FIDE Forum • ICDM PowerTalk – Reverse Governance: What if the Algorithm Assesses the Board? by ICDM • Strengthening Cyber Resilience: A Strategic Priority for Boards and Senior Management by ASB • Micro-Credential in AI for Business Leaders by ASB • ACE DMD201D (MC) AI for Business Leaders by ASB

Board Nomination and Remuneration Committee (BNRC) Report

The BNRC supports the Board in discharging its statutory and fiduciary responsibilities related to Board composition, succession planning, and remuneration matters for Directors and Senior Management of the Group. The BNRC plays an integral role in promoting effective governance, ensuring that the Board and key leadership positions comprise individuals with an appropriate balance of skills, experience, independence, and diversity.

The BNRC reviews and makes recommendations to the Board on matters relating to the appointment, re-appointment, and resignation of Directors, the composition of the Board and its Committees, and the performance and independence of Independent Directors. The BNRC also oversees succession planning for Directors and Senior Management to ensure continuity of leadership and long-term sustainability of the Group.

The BNRC operates under a clearly defined and documented TOR, which is periodically reviewed and updated to remain aligned with applicable laws, regulations, and best practices. The TOR sets out the BNRC's role in ensuring alignment with the Group's strategic objectives and performance, including reviewing and recommending to the Board the remuneration framework and policies for Directors and Senior Management. The BNRC also oversees succession planning for the Board and Senior Management to ensure leadership continuity and organisational stability. The TOR is available on the Company's website at https://celcomdigi.listedcompany.com/corporate_governance.html.

As at 31 December 2025, the BNRC comprised three (3) Non-Executive Directors, all of whom are Independent Directors. The Committee is chaired by Datuk Iain John Lo, with Vimala V.R. Menon and Tunku Alizakri Raja Muhammad Alias serving as members.

The BNRC meets at least two times a year as required under its TOR, with additional meetings convened as necessary to consider specific matters. The BNRC held 11 meetings in 2025. The attendance record of each member is set out below.

Corporate Governance Overview Statement

Name of Director	Number of Board Meetings Attended
Datuk Iain John Lo (Chair) *Independent Non-Executive Director*	11/11
Vimala V.R. Menon (Member) *Independent Non-Executive Director*	11/11
Tunku Alizakri Raja Muhammad Alias (Member) *Independent Non-Executive Director (Appointed on 30 June 2025)*	6/6
Tan Sri Abdul Farid Alias (Member) *Independent Non-Executive Director (Ceased as a member on 30 April 2025)*	3/3

The principal duties of the BNRC are to:

- Oversee succession planning for the Board and Senior Management, including key leadership positions, and to ensure a diverse and sustainable talent pipeline
- Review and recommend the appointment, reappointment, composition, and independence of the Board and Board Committees in accordance with the Fit and Proper Policy and applicable governance requirements
- Conduct annual evaluations of the effectiveness of the Board, Board Committees, and individual Directors, including oversight of the Board evaluation process
- Review and recommend candidates for Senior Management positions and ensure appropriate succession planning measures are in place
- Recommend the remuneration policy and structure to the Board for the Board and Senior Management, including oversight of share-based incentive schemes

Summary of the Key Activities of BNRC in FY2025

- Conducted and reviewed the BEE, including the engagement of an external independent party
- Reviewed the Corporate Scorecard and Management Priorities for 2024, 2025, and 2026
- Reviewed Directors' fees, benefits, and training requirements
- Reviewed and recommended the re-election of Directors retiring at the 28th Annual General Meeting (AGM)
- Reviewed the BNRC Report for inclusion in the Integrated Annual Report 2024
- Reviewed and approved matters relating to the Executive Share Grant Plan for Senior Management
- Reviewed the BNRC's TOR
- Reviewed and approved the appointment of Directors and Board Committee memberships, including appointments for subsidiary boards
- Reviewed the appointment of the Chief Financial Officer (CFO), Chief Customer Experience Officer, and Head of Enterprise Risk Management
- Assessed the performance of the CEO, Deputy CEO and CFO
- Reviewed remuneration for the CEO and Deputy CEO for 2025
- Reviewed job evaluation outcomes for Senior Management
- Reviewed short-term incentive achievements for Senior Management and officer bearers for FY2024
- Reviewed Senior Management's employment contracts
- Reviewed succession planning and hiring progress for Senior Management roles
- Reviewed mid-year performance review scorecard for 2025
- Reviewed organisational structure
- Managed the CEO search process throughout the selection phase
- Reviewed updates on the search process for Chief Consumer Business Officer

The Board, with the support of the BNRC, ensures that the nomination, appointment and re-election of Directors are carried out in accordance with the MMLR of Bursa Securities and the Company's governance practices. This application of the Fit and Proper Policy supports the Board's objective of maintaining an appropriate mix of skills, experience, independence, and diversity, including gender diversity, to meet the needs of the Group.

In determining Board composition, the BNRC considers industry and functional expertise, integrity, independence of mind, leadership capability, time commitment, and succession planning. Potential candidates are identified through appropriate sources and are subject to due diligence assessments, with all proposed candidates and Directors seeking re-election required to complete a Fit and Proper declaration.

The BNRC assesses the suitability of candidates and Directors against the criteria as set out in the Fit and Proper Policy, and engages with the candidates to evaluate their experience, commitment, independence, and ability to contribute effectively to the Board. Following this, the BNRC makes recommendations to the Board for appointment or re-election, and, where applicable, for shareholders' approval at a general meeting.

Corporate Governance Overview Statement

The BNRC also undertakes an annual evaluation of the effectiveness of the Board, Board Committees, and individual Directors. In line with governance best practice, which recommends appointing an independent external party at least once every three years, this year marks the first time the BNRC has engaged an independent external party to conduct the BEE. The evaluation covers five key dimensions: Board strategy, composition, dynamics, mechanisms, and development. The outcomes of the evaluation, where appropriate, are deliberated by the BNRC and reported to the Board along with recommendations.

Re-election of Directors

The Director retirement rotation list was endorsed by the BNRC, recommended to the Board, and subsequently presented to shareholders for approval. This recommendation was based on the BNRC's annual evaluation, independence assessment, and compliance with the Fit and Proper criteria.

At the forthcoming 29th AGM, the following Directors will retire in accordance with Article 104(A) and 104(E) of the Company's Constitution:

Article 104(A)

Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz

Article 104(E)

Tunku Alizakri Raja Muhammad Alias

In addition, Vimala V.R. Menon and Datuk Iain John Lo, who will retire by rotation in accordance with Article 104(A) of the Company's Constitution, have indicated that they will not be seeking re-election and will therefore hold office until the close of the 29th AGM. In parallel, the BNRC has commenced the process of identifying and assessing suitable candidates for appointment as Independent Non-Executive Directors, taking into account the Board's current composition, required skills and experience, independence criteria, and succession planning needs. The appointment process will be conducted in accordance with the BNRC TOR and the Company's Fit and Proper Policy, with recommendations to be submitted to the Board in due course.

In a separate manner, the BNRC also conducted an assessment of Directors eligible for re-election at its meeting on 11 March 2026, confirming that each met the requirements of the Fit and Proper Policy. All eligible Directors have provided their consent for re-election at the 29th AGM.

Directors' Remuneration

The Board's remuneration framework supports the Group's strategic objectives and is benchmarked against market practices to ensure competitiveness, transparency, and fairness. It aims to ensure proper governance in attracting and retaining qualified Non-Executive Directors (NEDs).

The NEDs, who are nominee representatives of the Company's major shareholders, received remuneration from their respective employing companies within the Telenor and Axiata Groups in 2025. They did not receive any additional compensation from the Company. Each NED abstains from discussions or voting on matters concerning their own remuneration.

The aggregate remuneration of Directors in FY2025 is set out below:

Name of Director	Directors' Fees (RM)	Benefit-in-kind (RM)	Total (RM)
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	540,000	9,354	549,354
Jon Omund Revhaug *(Appointed on 21 March 2025)*	Nil	Nil	Nil
Rita Skjaervik	Nil	Nil	Nil
Irfan ul Wahab Khan *(Appointed on 30 April 2025)*	Nil	Nil	Nil
Vivek Sood	Nil	Nil	Nil

Corporate Governance Overview Statement

Name of Director	Directors' Fees (RM)	Benefit-in-kind (RM)	Total (RM)
Nik Rizal Kamil Nik Ibrahim Kamil *(Appointed on 12 February 2025)*	Nil	Nil	Nil
Vimala V.R. Menon	425,250	6,136	431,386
Datuk Iain John Lo	445,500	17,043	462,543
Khatijah Shah Mohamed	405,000	11,416	416,416
Tunku Alizakri Raja Muhammad Alias *(Appointed on 30 June 2025)*	195,750	4,532	200,282
Dr. Shridhir Sariputta Hansa Wijayasuriya *(Resigned on 12 February 2025)*	Nil	Nil	Nil
Haakon Bruaset Kjoel *(Resigned on 21 March 2025)*	Nil	Nil	Nil
Kasper Wold Kaarbø *(Resigned on 30 April 2025)*	Nil	Nil	Nil
Tan Sri Abdul Farid Alias *(Resigned on 30 April 2025)*	153,000	2,070	155,070
Total	**2,164,500**	**50,551**	**2,215,051**

CEO and Senior Management Performance Appraisal

The BNRC conducted a comprehensive review of the CEO and Senior Management's 2025 scorecards, assessing their performance against pre-determined targets. The review ensured that remuneration packages and incentives are aligned with market best practices in reward, retention, and performance management, supporting the Group's ability to attract and retain top-tier talent.

Following Datuk Idham Nawawi stepping down as CEO on 31 August 2025 and serving as Advisor to the Board until 30 November 2025, Albern Murty was appointed as Acting CEO while continuing his duties as Deputy CEO, effective 1 September 2025. Accordingly, the remuneration disclosed below reflects remuneration received in his capacity as Acting CEO from September to December 2025 only. Remuneration received prior to this period relates to his role as Deputy CEO and is disclosed under Senior Management remuneration. The aggregate remuneration received by the CEOs in FY2025 is as follows:

Name and Designation	Salaries (RM)	Allowances (RM)	Bonus (RM)	Benefit-in-kind (RM)	Other Emoluments (RM)	Total
Datuk Idham Nawawi *(CEO until 31 August 2025; Advisor to the Board until 30 November 2025)*	4,082,150	160,000	2,210,102	19,091	5,674,326	12,145,669
Albern Murty *(Appointed as Acting CEO on 1 September 2025)*	983,200	80,000	-	6,626	-	1,069,826

Principle B Effective Audit and Risk Management

Board Audit Committee (BAC) Report

The BAC supports the Board in discharging its statutory and fiduciary responsibilities related to the Company and its subsidiaries. The BAC provides independent oversight of the Group's financial reporting process, internal control system, risk management framework, and compliance matters, with the objective of safeguarding shareholders' interests and promoting sound corporate governance.

The BAC reviews the adequacy and effectiveness of the Group's financial, operational, and compliance controls. The BAC also assesses the performance, independence, and effectiveness of the internal and external auditors in accordance with the criteria set out under Paragraph 15.21 of the MMLR of Bursa Securities.

Corporate Governance Overview Statement

The BAC operates under a clearly defined and documented TOR, which is periodically reviewed and updated to ensure continued alignment with applicable laws, regulations, and best practices. The roles and responsibilities of the BAC, set out in its TOR, include reviewing and reporting to the Board any actual or potential conflict of interest situations within the Company or the Group identified during the financial year, along with the actions taken to address, manage, or mitigate such situations. The BAC operates in accordance with the Internal Audit Charter, approved by the Board and aligned with the MMLR of Bursa Securities, to support the effective and independent discharge of its responsibilities. The TOR is available on the Company's website at https://celcomdigi.listedcompany.com/corporate_governance.html.

Composition

As at 31 December 2025, the BAC comprised three Non-Executive Directors, all of whom are Independent Directors. The Committee is chaired by Vimala V.R. Menon, with Khatijah Shah Mohamed and Tunku Alizakri Raja Muhammad Alias serving as members.

The BAC meets at least four times a year as required under its TOR, with additional meetings convened as necessary to consider specific matters. The BAC held nine meetings in FY2025. The attendance record of each member is as below:

Name of Director	Number of Board Meetings Attended
Vimala V.R. Menon (Chair) *Independent Non-Executive Director (Re-designated as Chair on 30 June 2025)*	9/9
Khatijah Shah Mohamed (Member) *Independent Non-Executive Director*	9/9
Tunku Alizakri Raja Muhammad Alias (Member) *Independent Non-Executive Director (Appointed on 30 June 2025)*	5/5
Tan Sri Abdul Farid Alias (Chair) *Independent Non-Executive Director (Ceased as Chair and member on 30 April 2025)*	2/2

Summary of Key Activities of BAC for FY2025

Main activities carried out by the BAC in FY2025 are as follows:

(i) Financial Reporting

a) Reviewed the unaudited quarterly financial results and audited annual financial statements along with related announcements, prior to recommending them for the Board's approval. This included:
   - Deliberating on significant audit and accounting matters, including Management's judgements, estimates, or assessments, as well as the adequacy of disclosures in the financial statements; and
   - Discussing key financial matters to ensure compliance with the Malaysian Financial Reporting Standards and the Group's internal accounting policies.

b) Reviewed the Group's guidance to the market for FY2025.

c) Reviewed impairment assessments.

d) Reviewed the results of internal control over financial reporting assessments for FY2024 and FY2025.

(ii) External Audit

a) Reviewed the scope of work of external auditors prior to the commencement of the audit to confirm their independence and objectivity.

b) Reviewed the external auditors' Management Letter along with Management's responses, and monitored the implementation of corrective actions to address the matters raised.

Corporate Governance Overview Statement

c) Monitored all audit and non-audit services and related fees incurred on a quarterly basis related to engaging external auditors, taking into consideration their independence and objectivity. Details of the audit and non-audit fees paid to the external auditors are disclosed in the Additional Compliance Information section of this Annual Report.
d) Held private meetings with the external auditors, without the presence of Management, to confirm there were no restrictions on the scope of the audit and to discuss significant matters arising from the audit.
e) Assessed the performance and suitability of the external auditors and made recommendations to the Board for their re-appointment, subject to shareholders' approval at the Annual General Meeting.

(iii) Internal Audit

a) Reviewed and assessed the risk-based Annual Audit Plan to ensure it provided adequate scope and comprehensive coverage of the Group's activities, and subsequently recommended it to the Board for approval. Thereafter, the BAC monitored the audit progress throughout the financial year and approved revisions to the Annual Audit Plan to address emerging risks and management-initiated ad hoc requests.
b) Reviewed significant audit findings and recommendations, and assessed Management's corrective actions. Key issues were then discussed with the relevant Management team members to ensure timely and satisfactory implementation of agreed actions.
c) Monitored Management's quarterly progress on outstanding audit findings and followed up on the relevant corrective actions, ensuring that the identified gaps were effectively addressed and appropriate controls were established.
d) Provided guidance, where appropriate, on ad hoc matters arising from ongoing internal audit reviews and activities.
e) Reviewed investigation findings with Management's recommended disciplinary and corrective actions. Discussions focused on the root causes of the incidents and the Company's potential risk exposure. Periodic updates were provided to the BAC to enable monitoring of the timely and effective implementation of remedial actions.
f) Reviewed the Internal Audit Charter.
g) Assessed the effectiveness of the Internal Audit function by reviewing its performance, competencies, resource adequacy, and total costs, ensuring it had the necessary expertise and professionalism to discharge its responsibilities.

(iv) Related Party Transactions

a) Reviewed the mandate for recurrent related party transactions as compiled by Management.
b) Reviewed related party transactions as disclosed in the financial statements and monitored the utilisation of the mandate for recurrent related party transactions on a quarterly basis, ensuring compliance with the MMLR of Bursa Securities and the Group's internal policies and procedures.
c) Reviewed new related party transactions to ensure that the terms and conditions were fair, reasonable, and on normal commercial terms, and that the transactions were conducted at arm's length.

(v) Conflict of Interest

a) Reviewed conflict of interest disclosures submitted by Directors and reported the relevant matters to the Board, ensuring that the interested Directors abstained from deliberation and decision-making on the related matters.
b) Reviewed the Group's policies and procedures on conflict of interest to ensure that any actual or potential conflict situations were identified, managed, and reported to the Board in accordance with the MMLR of Bursa Securities.

(vi) Other Activities

a) Reviewed and recommended to the Board the BAC Report, Corporate Governance Overview Statement, Corporate Governance Report, Directors' Responsibility Statement, and Statement on Risk Management and Internal Control, for inclusion in the Integrated Annual Report 2024.
b) Reviewed and recommended the revised TOR of the BAC for Board approval.
c) Reviewed the proposed dividend payout on a quarterly basis, taking into account the Group's cash flow requirements, prior to recommending it for Board approval.
d) Reviewed the implementation of e-invoicing and updates on the expansion of the SST scope.
e) Reviewed the harmonisation of cash management banking partners across the Group.
f) Reviewed the finance organisation structure.
g) Reviewed the readiness of IT system controls.

Corporate Governance Overview Statement

Review of Conflict of Interest (COI) Situations

The Board has established a COI Policy that outlines the principles and procedures for identifying, declaring, and managing actual or potential conflict of interest, including competing business interests. The Policy complements the Board Charter and applies to the Board along with Directors of the Company and its subsidiaries, reinforcing a culture of integrity in line with the Company's Core Values.

In line with the Policy, Directors are required to declare any actual, potential, or perceived conflict of interest as soon as they become aware of it. In addition, the Company conducts a formal semi-annual COI declaration exercise to ensure ongoing visibility of conflict situations and to reaffirm that all Directors' disclosures remain current and complete.

The Board manages COIs by reviewing the agenda for each Board meeting to identify any potential conflicts. Where a COI is identified, the relevant Director is required to submit a COI declaration form. The declaration is recorded in the minutes of the meeting, and the Company Secretary updates the COI register accordingly. Interested Directors abstain from deliberation and voting on the relevant matter, and, in line with best practice, are also recused from attending the deliberation unless their technical input is specifically required; even then, they do not deliberate and vote.

In accordance with Bursa Malaysia's guidance on COI, the BAC has reviewed COI situations during the year, assessed the adequacy of mitigation measures, and reported its findings to the Board. Based on the review, the BAC is satisfied that conflict situations in FY2025 were appropriately identified, declared, and managed in accordance with the COI Policy and regulatory requirements. Apart from the related party transactions disclosed as RRPTs, COI cases involving Directors and Senior Management in FY2025, along with the mitigation measures taken, are outlined below.

Conflict of Interest Involving Directors in 2025

	Nature of COI	Nature and Extent of Interest of Conflicted Directors
1	**Investment related:** Investment matters related to Digital Nasional Berhad (DNB).	Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz (Tengku Azmil), Vivek Sood and Nik Rizal Kamil Nik Ibrahim Kamil (Nik Rizal) are Board representatives of Axiata, a major shareholder of CelcomDigi. Axiata's largest shareholder, Khazanah Nasional Berhad, is owned by the MOF which is also the largest shareholder in DNB.
2	**Banking Partner Appointment:** Proposed appointment of banking partners involving financial institutions where certain Directors hold board positions.	Tengku Azmil and Datuk Iain serve on the Board of CelcomDigi, with Tengku Azmil also serving on the Board of CIMB and Datuk Iain on the Board of RHB.
3	**Telekom Malaysia Berhad (Telekom) Contract Extension:** Extension of an existing commercial contract.	Tengku Azmil, Vivek Sood and Nik Rizal are Board representatives of Axiata, a major shareholder of CelcomDigi. Axiata's largest shareholder, Khazanah Nasional Berhad, is the largest shareholder of Telekom.
4	**IT Operating Model Project:** Appointment of a related entity for the provision of information technology services.	Tengku Azmil, Vivek Sood and Nik Rizal are Board representatives of Axiata, a major shareholder of CelcomDigi. Axiata's also holds 100% ownership of Axiata Digital Labs Sdn Bhd.
5	**Consulting Engagement:** Engagement of an external consultant where personal or professional relationships exist with certain Directors.	Tengku Azmil disclosed a familial relationship with an employee of Bain Malaysia. Datuk Iain is an Associate Consultant in Bain & Company.

Corporate Governance Overview Statement

Conflict of Interest involving Senior Management in 2025

Nature of COI	Nature and Extent of Interest of Conflicted Directors
1 **Intragroup Chargeback Arrangement:** Proposed intragroup chargeback arrangement involving CelcomDigi's non-wholly owned subsidiary, Bridgenet Solutions Sdn Bhd (Bridgenet)	Afizulazha Abdullah as Chief Enterprise Business Officer sits on the Bridgenet board.

Measures taken to address COIs

(1) Conflicted Directors declared their interest prior to the relevant Board meeting by submitting the COI declaration form.
(2) Conflicted Directors abstained from deliberations and voting on relevant agenda items and recused themselves from the meeting.
(3) Information may be withheld from conflicted Directors where necessary, to preserve confidentiality.
(4) Directors and Key Management are periodically reminded of their duty to avoid conflicts and uphold confidentiality obligations.
(5) The BAC oversees COI governance, including annual and ad hoc assessments, reviews of disclosures, and monitoring of compliance with the Company's COI procedures.
(6) COI declarations are incorporated into the Directors' semi-annual COI review process, the assessment of new Director appointments, and collected prior to Board meetings when the agenda is finalised.
(7) The BAC reports all COI matters to the Board and discloses them in the BAC Report on page 127.

Internal Audit Function

The Internal Audit (IA) function is responsible for preparing the Annual Audit Plan, which is subsequently approved by the BAC. The Plan encompasses governance, risk management, and internal control processes, including regulatory compliance such as related party transactions.

IA employs a risk-based methodology in preparing the Annual Audit Plan, ensuring alignment with the Company's objectives, risk appetite, and profile, with input from the BAC and the Senior Management Team.

At each quarterly BAC meeting, IA provides updates on the progress of the Annual Audit Plan, highlighting key findings from audit reports, audit opinions, recommendations, and agreed corrective actions. The implementation of these corrective actions is monitored to ensure timely resolution and closure within the agreed timelines.

Scope and Coverage

IA leverages Audit Command Language for data analytics, enabling a digital and data-driven approach that provides comprehensive audit coverage. In 2025, a total of 14 engagements, including special reviews, were conducted in the following areas:

(a) Data Analytics: Third party overtime claims, Employee payroll, Kiosk revenue-sharing, and processing fees
(b) Operational: Open channel dealer management, Network site rental, Interconnect billing, Fibre operations and maintenance, Device inventory management, Enterprise Solutions manual billing, Retail collection, and inventory management
(c) IT General Controls: User Access Management – Fibre Processing & Fulfilment Platform
(d) Special Review: Retail Store rollout, Post-mortem – Digital Business Support System
(e) Joint audit on Network Incident Management with Celcom Timur (Sabah) Sdn Bhd

IA also conducted internal investigations into misconduct and breaches of the Code during the year.

Corporate Governance Overview Statement

Quality Assurance and Improvement Programme

IA maintains a Quality Assurance and Improvement Programme (QAIP) to assess and monitor compliance with the 2024 Global Internal Audit Standards, constituting a mandatory component of the International Professional Practices Framework. The results of the QAIP are reported annually to the BAC and Senior Management Team. IA also utilises the Pentana Audit Management System to support a structured, digitised, and consistent approach to the planning, execution, and documentation of audit activities.

Resources

The BAC undertakes regular oversight of IA's human resource requirements to ensure the function is adequately equipped with suitably qualified, competent, and experienced auditors. The educational background of the entire IA team is as follows:

Educational Background	Total Internal Auditors
Accounting/Finance/Commerce	10
Information Systems/Computer Science/Computer Engineering	6
Business Management/Business Administration	4
Engineering/Audio Engineering	2
Sustainable Development Management	1
Others	2

The total operational costs of the IA department for FY2025 amounted to RM4.3 million (FY2024: RM5.99 million).

Professional Qualifications & Continuous Development

As digital technologies and data analytics become increasingly integral to audit activities, internal auditors, including investigators, are encouraged to pursue relevant professional certifications to maintain a high level of expertise and strengthen their technical capabilities. The professional qualifications of the IA team are as follows:

Educational Background	Total Internal Auditors Certified
Chartered/Certified Accountants	6
Certified Information Systems Auditor	4
Certified Internal Auditor	2
Certified Fraud Examiner	2

Corporate Governance Overview Statement

Board Governance and Risk Management Committee (BGRMC) Report

The BGRMC supports the Board in discharging its statutory and fiduciary responsibilities related to governance, sustainability, risk management, and compliance oversight with appliable laws and regulations, including the MMLR of Bursa Securities and the Group's Code of Conduct. The Committee plays a key role in strengthening the Group's governance framework and ensuring that effective risk management practices are embedded across the organisation.

The BGRMC reviews the adequacy and effectiveness of the Group's risk management framework, governance policies, and compliance processes. The Committee also oversees and monitors the identification, assessment, and mitigation of key business and ESG risks, and also recommends appropriate measures to the Board to support the Group's sustainability and resilience. These measures ensure alignment with the Group's strategic objectives and risk appetite.

The roles and responsibilities of the BGRMC are set out in its TOR. These include providing guidance to the Board on governance- and risk-related matters, reviewing the effectiveness of risk management practices, and ensuring that the Group's governance policies remain aligned with regulatory requirements and best practices. The BGRMC operates in accordance with its TOR, as approved by the Board, to support the effective and independent discharge of its responsibilities. The TOR is available on the Company's website at https://celcomdigi.listedcompany.com/corporate_governance.html.

Composition

As at 31 December 2025, the BGRMC composed of four Non-Executive Directors, including two Independent Non-Executive Directors and two Non-Independent Non-Executive Directors. The Committee is chaired by Vivek Sood, with Datuk Iain John Lo, Jon Omund Revhaug, and Khatijah Shah Mohamed serving as members.

The BGRMC meets at least four times a year, with additional meetings convened as necessary to consider specific matters. The BGRMC held four meetings in FY2025. The attendance record of each member is as below:

Name of Director	Number of Meetings Attended
Vivek Sood (Chair) *Non-Independent Non-Executive Director*	4/4
Datuk Iain John Lo (Member) *Independent Non-Executive Director*	4/4
Khatijah Shah Mohamed (Member) *Independent Non-Executive Director*	4/4
Jon Omund Revhaug (Member) *Non-Independent Non-Executive Director (Appointed as Member on 21 March 2025)*	2/3
Haakon Bruaset Kjoel *Non-Independent Non-Executive Director (Ceased as Member on 21 March 2025)*	1/1

Corporate Governance Overview Statement

Summary of Key Activities of BGRMC for FY2025

Main activities carried out by the BGRMC during FY2025 are as follows:

(i) Risk Management and Internal Control

a) Reviewed and deliberated on key business risks, ensuring that proactive measures were in place to mitigate emerging threats in alignment with CelcomDigi's strategic objectives.
b) Monitored the progress of risk mitigation initiatives and evaluated the effectiveness of measures implemented to manage risks within the Group's defined risk appetite.
c) Evaluated the overall adequacy and effectiveness of the Group's internal control environment by reviewing findings from internal and external audits.

(ii) Compliance

a) Reviewed and provided quarterly reports on the Compliance & Monitoring programme roadmap, including training, awareness initiatives, and procedures, as well as processes for Integrity Due Diligence and all matters related to Anti-Corruption, and assessed the adequacy of related follow-up actions.
b) Reviewed and deliberated on key updates from the Governance, Risk and Compliance Committee (GRC) meeting, including matters relating to Enterprise Risk Management, Compliance, Sustainability, Cybersecurity, Health, Safety and Security, Supply Chain Management, Regulatory, and Privacy.
c) Reviewed third party assessment findings of policy implementation and OneCompliance program maturity, and provided guidance on proposed actions to address the identified gaps.
d) Reviewed the corruption risk assessment update and assessed key risk exposures and corresponding mitigation measures.

(iii) Other Activities

a) Reviewed the Corporate Governance Overview Statement, Corporate Governance Report, and Statement on Risk Management and Internal Control and Risk Management for inclusion in the Integrated Annual Report 2024.
b) Reviewed the quarterly Environmental, Social, and Governance programme and strategy.
c) Reviewed and recommended the revised TOR of the BGRMC for Board approval.
d) Reviewed Health & Safety incidents.

Principle C Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Corporate Reporting Integrity

CelcomDigi is committed to upholding the highest standards of corporate reporting integrity. All reports are prepared to ensure accuracy, reliability, and comprehensiveness, reflecting the Company's dedication to transparency and accountability.

At the core of these efforts is the Reporting Committee, a cross-functional team comprising representatives from Finance, Company Secretary, Investor Relations (IR), Sustainability, Corporate Strategy, and Corporate Communications and is overseen by the Chief Financial Officer (CFO) and the Chief Corporate Affairs Officer (CCAO). The Committee thoroughly reviews reports to ensure they accurately represent CelcomDigi's performance and comply with both local and international reporting standards.

The review process further involves the BAC and BGRMC, ensuring adherence to established governance practices. Reports are ultimately approved by the Board, demonstrating the diligence and integrity embedded in the Company's reporting framework.

Corporate Governance Overview Statement

Stakeholder Communication

The Board values active engagement with stakeholders to promote good corporate governance. Open, transparent, and two-way communication is prioritised through structured IR programmes, supporting fair, timely and consistent disclosure practices by enabling stakeholders to provide informed feedback on business strategies.

The IR team engages stakeholders through a combination of structured engagements and digital platforms. This includes quarterly analyst and investor briefings, targeted one-on-one meetings, and participation in corporate conferences, providing avenues to communicate CelcomDigi's financial performance, strategic direction, and key developments.

In parallel, the dedicated IR website serves as a central digital platform for broadening accessibility, enhancing transparency, and reinforcing ongoing dialogue with the investment community and the public through timely disclosures, presentation materials, and updates.

Conduct of General Meetings

CelcomDigi is committed to conducting transparent and engaging General Meetings, particularly the AGM, which provides shareholders with an essential platform to engage in meaningful dialogue with the Board and Senior Management team.

The Company successfully conducted its AGM in a hybrid format in 2025, combining in-person and virtual participation. This approach ensured seamless business continuity, enabling shareholders to participate remotely or in person. Stakeholders responded positively, appreciating the enhanced accessibility and transparency. Features such as live Q&A sessions, online polling, and interactive chat rooms further enriched the shareholder experience.

The notice for the AGM was issued 28 days in advance, allowing shareholders sufficient time to review the Company's performance and proposed resolutions. Minutes of the AGM, along with a summary of Q&A dialogues, are published at https://celcomdigi.listedcompany.com/agm.html.

IR Activities

In 2025, CelcomDigi continued to strengthen IR engagement through a comprehensive programme of IR activities, including quarterly results briefings and company roadshows, keeping stakeholders informed of the Company's financial performance, operational progress, and strategic priorities.

The IR team worked closely with internal stakeholders to respond to queries, feedback, and concerns from shareholders and investors in a timely and transparent manner. CelcomDigi expresses its appreciation to all stakeholders who participated in these engagements. A summary of investor engagement activities and the full IR calendar are available at https://celcomdigi.listedcompany.com/financial_calendar.html.

Statement by the Board

The Board approved this statement on 18 March 2026 and acknowledges that CelcomDigi adheres to high standards of corporate governance, guided by the principles and best practices set out in the MCCG, the MMLR of Bursa Securities, and applicable laws and regulations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of CelcomDigi is pleased to present this Statement on Risk Management and Internal Control Systems. It outlines the framework, processes and measures implemented to manage risks, support the achievement of the Group's business objectives, and uphold strong governance practices throughout the financial year. This Statement has been prepared in accordance with Paragraph 15.26(b) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements, and with reference to the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (SORMIC Guide 2025). It has been reviewed and recommended by the Board Governance and Risk Management Committee (BGRMC) and the Board Audit Committee (BAC), and was subsequently approved by the Board.

Responsibilities and Accountabilities

The Board of Directors

The Board has overall responsibility for the Group's Risk Management and Internal Control systems and for reviewing its adequacy and effectiveness. The Board recognises that a robust enterprise risk management and internal control framework is essential to safeguard shareholders' interests and protect the assets of CelcomDigi and its subsidiaries (the Group), while supporting the Group's strategic objectives.

The Board provides strategic direction and oversight of principal and emerging risks and opportunities, supported by the BGRMC and BAC.

Board Governance and Risk Management Committee (BGRMC)

The BGRMC assists the Board in overseeing the Group's governance, risk management, and sustainability framework. Its responsibilities include reviewing the effectiveness of the risk management framework, monitoring compliance with applicable laws and regulations, and ensuring that sustainability considerations are integrated into the Group's strategy and key decision-making processes.

The BGRMC reviews the Group's principal and emerging risks and receives regular updates from Management on risk exposures, internal control measures, and mitigation actions to support the Group's operational resilience and long-term sustainability.

Board Audit Committee (BAC)

The BAC assists the Board in overseeing the integrity of the Group's financial reporting and the effectiveness of the internal control environment. This includes oversight of audit processes, compliance with applicable laws and regulations, and adherence to the Company's Code of Conduct.

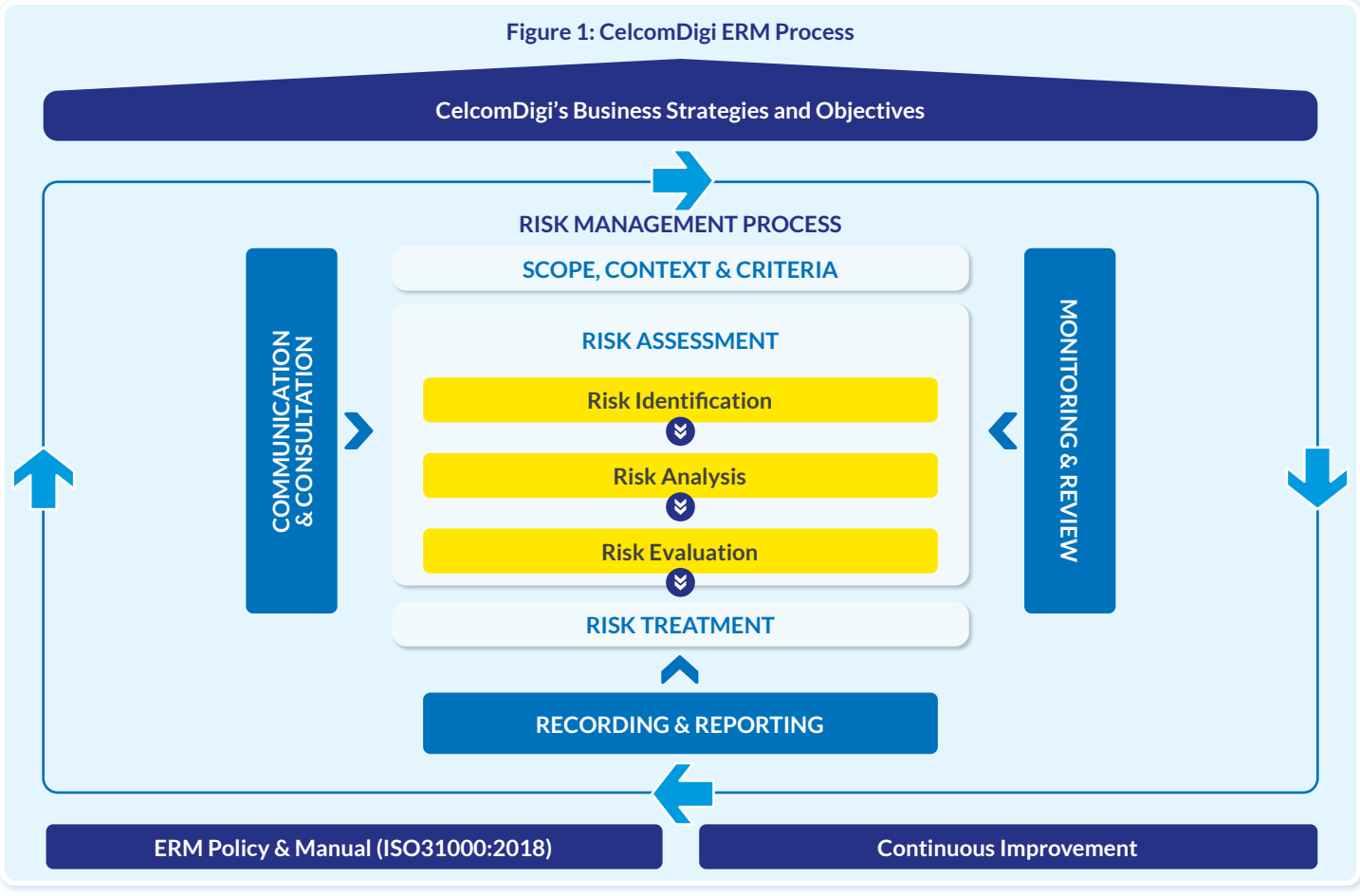
The BAC also reviews the Group's quarterly and annual financial statements and announcements prior to submission to Bursa Malaysia Securities Berhad, ensuring they are prepared in accordance with applicable accounting standards and regulatory requirements.

Statement on Risk Management and Internal Control

Enterprise Risk Management (ERM) Framework

CelcomDigi's ERM framework is aligned with ISO 31000:2018 Risk Management Guidelines and provides a structured approach to identifying, assessing, monitoring, and reporting risks across the Group. The framework clearly defines roles and responsibilities: the ERM function leads the implementation of the programme and related activities, while Senior Management embeds risk management practices within their respective areas. This ensures strong accountability, effective integration of risk management into daily operations, and supports the Group's business objectives within the defined risk appetite.

Figure 1: CelcomDigi ERM Process



The ERM process (Figure 1) guides the embedding of risk management into day-to-day operations and decision-making across all functions. Risks are first identified in line with the Group's strategic objectives and the evolving telecommunications landscape, and are subsequently assessed for potential impact and recorded in the risk register. Each risk is evaluated to enable prioritisation of mitigation efforts and the effective allocation of resources.

To keep key stakeholders informed and engaged in risk oversight, ongoing monitoring of principal and emerging risks, including the progress of mitigation measures, is provided to the Governance, Risk and Compliance (GRC) Committee, BGRMC, and the Board on a quarterly basis.

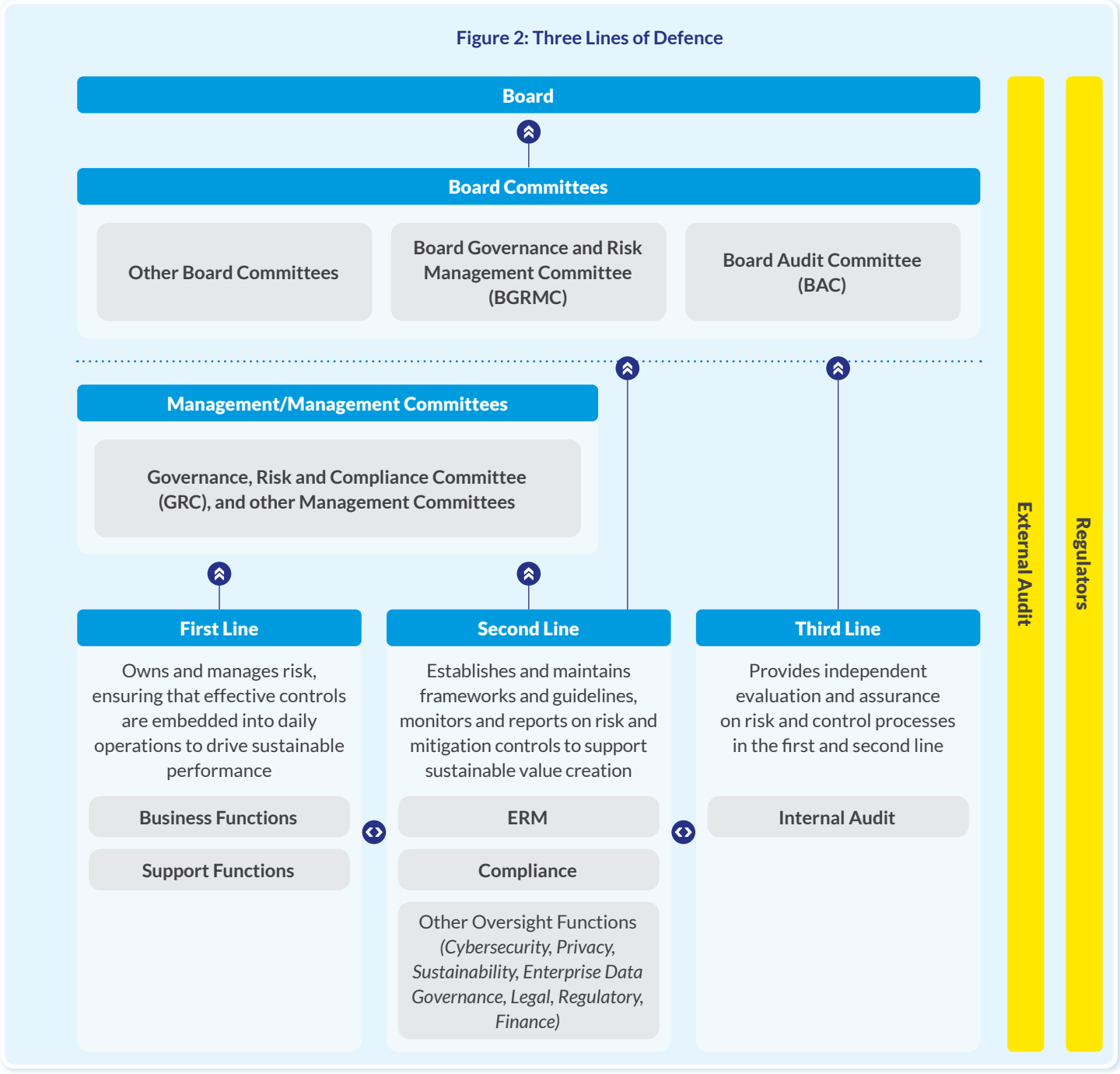
CelcomDigi continuously enhances its ERM framework by adopting industry best practices, strengthening risk awareness programmes, and implementing tools to further improve risk management capabilities.

Statement on Risk Management and Internal Control

Internal Control Structure

CelcomDigi adopts the "Three Lines of Defence" model to strengthen governance, risk management, and internal control. Each line plays a distinct role in supporting sound governance and sustainable value creation (Figure 2):

Figure 2: Three Lines of Defence



Statement on Risk Management and Internal Control

First Line of Defence – Management and Operations
Business units and operational management jointly own and manage risks on a day-to-day basis. They embed effective internal control policies and procedures into daily operations to drive sustainable business performance.

Second Line of Defence – Risk Oversight and Compliance Functions
ERM and Compliance, together with other oversight functions, provide guidance, set policies, and monitor the effectiveness of risk management and internal control processes. They support the first line by challenging assumptions, evaluating risk exposures, and reporting on mitigation measures to ensure alignment with the Group's objectives and risk appetite.

Third Line of Defence – Internal Audit
Internal audit provides independent and objective assurance on the adequacy and effectiveness of governance, risk management, and internal control systems. This line validates the assurances provided by the first and second lines, ensuring that risks are effectively managed and the overall framework remains robust and reliable.

Internal Control Systems

The Board acknowledges that the Group's internal control systems are designed to manage key risks and provide reasonable assurance over the reliability of financial reporting, compliance with laws and regulations, and the prevention of material losses and fraud. These systems support the Group's business objectives and underpin effective governance and oversight across the Group.

Key elements of the Group's internal control framework include:

1. **Board Committees**

   The Board is supported by three Board Committees, each governed by defined terms of reference and scope of authority:
   - Board Audit Committee (BAC)
   - Board Governance and Risk Management Committee (BGRMC)
   - Board Nomination and Remuneration Committee (BNRC)

   These committees assist the Board in discharging its oversight responsibilities and ensuring robust governance practices. Regular Board meetings are scheduled with respective committee chairs in consultation with the Chief Executive Officer (CEO), to determine the agenda. Urgent matters are addressed only after thorough deliberation and presentation of necessary information, supporting informed decision-making and strategic oversight.

2. **Management Committees**

   In addition to the Board Committees, various Senior Management committees have been established. Comprising key members of Senior Management, these committees support and assist the Board in overseeing critical aspects of the Group's business operations. Operating under clearly defined and documented terms of reference, they provide focused oversight, coordination, and management across the Group's core functional areas.

Governance, Risk and Compliance Committee (GRC)
- Chaired by the CEO, with relevant Senior Management members serving on the GRC
- Meets quarterly
- Assists BGRMC to fulfil governance, risk management, and compliance effectiveness
- Oversees business practices including Enterprise Risk Management, Compliance, Sustainability, Cybersecurity, Data Privacy, and Regulatory Compliance
- Reviews and deliberates on emerging significant risks
- Makes decisions on coordinated action plans to mitigate risks

Statement on Risk Management and Internal Control

Regulatory Steering Committee (RSC)
- Chaired by the CEO, with key Senior Management members serving on the committee
- Meets monthly
- Sets the direction and makes decisions on regulatory and industry-related projects and topics that have a significant impact on the Group. It also provides guidance, opinions, and views on CelcomDigi's external stakeholder relationships, and addresses issues or topics that could potentially impact CelcomDigi's operations and obligations. These include technology, revenue, customer experience, branding, and corporate image

Climate Working Committee (CWC)
- Co-chaired by the Chief Corporate Affairs Officer (CCAO) and Chief Technology Officer (CTO)
- Meets quarterly or on an ad hoc basis when necessary
- Oversees climate-related risks and opportunities for CelcomDigi
- Develops climate mitigation and adaptation strategies in phases, aligned with mandatory IFRS S2-aligned climate disclosures
- Produces reports on climate risks, opportunities, strategy, governance, and scenario analysis, transitioning towards standardised financial impact reporting
- Recommends environmental and decarbonisation initiatives, anchoring on CelcomDigi's SBTi-validated (in-progress) near-term reduction and Net Zero 2050 targets
- Reports to the GRC for onward escalation to the BGRMC

Investment & Vendor Award Committee (IVAC)
- Chaired by the Chief Financial Officer (CFO), with members and quorum as outlined in the Terms of Reference (TOR)
- Serves as an approval and/or recommendation committee to the Board in line with CelcomDigi's Authority Matrix, governing the approval process for business cases, including investments and financial commitments, strategic consultancy, and vendor awards
- Convened weekly or on an ad hoc basis as required

3. Cybersecurity

- CelcomDigi is steadfast in its commitment to preserve continuous customer access by safeguarding its infrastructure against disruptions, ensuring uninterrupted service delivery. The cybersecurity function upholds the core principles of confidentiality, integrity, and availability (CIA triad), proactively defending our telecommunications systems and IT infrastructure against internal and external cyber threats and security risks. These cybersecurity and compliance activities are benchmarked against globally recognised frameworks - including National Institute of Standards and Technology (NIST), Information Security Forum (ISF), and GSM Association (GSMA).
- The organisation is committed to ensuring robust cyber resilience and strong protection across all critical assets, technologies, and networks. This is achieved through continuous vulnerability management, ongoing phishing simulations, red team exercises, and structured security maturity assessments. Additional assurance is provided through regular internal audits, formal risk assessments, and independent accreditations. Our cybersecurity posture remains aligned with ISO 27001:2022, local legal requirements, and all applicable regulatory directives to ensure sustained compliance and operational resilience. CelcomDigi fully complies with Malaysia's Cyber Security Act 2024 (Act 854), which sets mandatory requirements for National Critical Information Infrastructure (NCII) entities. CelcomDigi conducts scheduled cybersecurity risk assessments and audits, adheres to prescribed codes of practice, promptly reports incidents to the National Cyber Security Agency (NACSA), and engages with licensed cybersecurity service providers as regulated under the Act. These are updated accordingly to the BGRMC.
- Centralised governance structure ensures ongoing compliance with CyberAct Malaysia, local regulatory guidelines, and best-in-class practices across all operational domains. This comprises the Cybersecurity Steering Committee (CSSC), GRC forums, BGRMC, and Board oversight.

Statement on Risk Management and Internal Control

4. Data Privacy

- CelcomDigi is committed to responsible handling of personal data entrusted to us by our customers, employees, and business partners. Our data privacy strategy integrates strong governance around privacy controls and a responsible business culture, supported by continuous adherence to best privacy practices. CelcomDigi's Privacy Policy establishes practices that prioritise trust, transparency, and accountability in managing and handling personal data throughout our value chain.
- We regularly review and update our Privacy Notice and present it in a simplified form via an infographic to keep customers informed on how CelcomDigi collects, uses and shares information. We engage with various stakeholders to understand and address emerging regulations, ensuring our day-to-day data management practices remain effective and future-proof.
- Effectiveness of privacy controls are assessed every two years to measure organisational compliance to internal policies, as well as legal and regulatory requirements.
- On a quarterly basis, privacy compliance and risk matters are reported to the GRC for discussion and, when necessary, escalated to the Board through the BGRMC.

5. Enterprise Data Governance (EDG)

CelcomDigi continues to recognise that a robust data ecosystem is essential for driving informed decision-making and achieving our strategic objectives. In 2025, a refined Enterprise Data Governance (EDG) framework was introduced, aiming to make our corporate data "Secure, Reliable, and Usable", accelerating our journey towards becoming a top telco-tech company.

Our strategy is anchored by four key pillars:

- **Policy, Compliance & Data Protection:** We define and enforce governance policies while maintaining an effective collaboration between EDG, Privacy, and Cybersecurity teams to manage risks holistically.
- **Data Ownership & Stewardship:** Building on the Governance Realisation Implementation Program (GRIP), we promote deep accountability by facilitating cross-functional governance and supporting data stewards throughout the data lifecycle.
- **Data Integrity & Understanding:** We prioritise data accuracy and centralise metadata and lineage, boosting data discoverability and trust across the enterprise.
- **AI Governance:** Aligning with our strategic emphasis on AI, we define and implement AI governance frameworks under this pillar to ensure initiatives are ethical, compliant, and effective.

Underpinned by automation and continuous training, this framework ensures that our data-driven initiatives rely on accurate, reliable, and secure data.

6. Business Continuity Management (BCM)

CelcomDigi's ISO 22301:2019-accredited Business Continuity Management (BCM) framework is a core component of the Group's system of internal controls that supports the Board's oversight of operational resilience. The framework establishes clear governance, roles, and accountabilities for emergency response, crisis management, incident management, crisis communications, and business continuity.

The framework is tested through an annual Crisis Simulation Exercise which is embedded within the Group's crisis preparedness programme. This serves as a key assurance mechanism to validate response and recovery capabilities, assess escalation and coordination arrangements, and identify improvement actions. Outcomes are reviewed by Management to ensure continuous improvement of the BCM framework.

Ongoing initiatives, including Group-wide BCM awareness programmes, regional simulations, industry knowledge-sharing and a single, centralised crisis contact number, further strengthen preparedness and reinforce the Group's ability to sustain critical operations during disruptions.

Statement on Risk Management and Internal Control

7. Limits of Authority (LOA)

CelcomDigi maintains an approved LOA matrix that delineates clear accountability, approval limits, and segregation of duties in accordance with CelcomDigi's corporate governance requirements.

8. Internal Control over Financial Reporting (ICFR)

The ICFR function plays an important role in evaluating and improving the effectiveness of key controls over CelcomDigi's financial reporting processes. Its primary objective is to provide reasonable assurance covering the reliability of financial reporting and the preparation of financial statements. Internal controls over financial reporting are performed in a structured manner, in line with CelcomDigi's ICFR Framework.

The ICFR Framework requires assessments based on the materiality of significant accounts, risk assessments of key processes, and the testing and evaluation of the design and operating effectiveness of key controls.

The function routinely monitors and follows up on unaddressed risks and non-operating controls, including periodic reporting to the CFO and BAC on the status of controls over the financial reporting processes.

9. Compliance and Monitoring

CelcomDigi's Compliance function plays an important role in providing clear, consistent, and proactive reporting to the BGRMC and GRC through our OneCompliance model. This model reinforces the tone-at-the-top and promotes effective governance, risk, and compliance, ensuring adherence to applicable laws, regulations, CelcomDigi's Code of Conduct (the Code), internal policies, manuals, and the Agreement of Responsible Business Conduct (ABC).

The Code outlines fundamental principles and ethical standards that guide CelcomDigi's employees and business partners in their daily actions and interactions with stakeholders. It focuses on crucial activities such as third-party management, gifts and hospitality, data protection and privacy, conflict of interest, sponsorship, donation, and whistleblowing.

The governance and procedures of these activities are established through policies and manuals that foster effective implementation. CelcomDigi policies and manuals are reviewed annually and made accessible to employees through the WorkVivo platform. Any non-adherence to the Code or anti-bribery and corruption regulations can be reported through anonymous and confidential whistleblowing channels at https://celcomdigi.portal.speeki.com/.

The ABC is an integral part of CelcomDigi's approach to managing business partners. Our business partners are required to sign the ABC, legally committing them to adhere to Business Partner Conduct Principles (BPCP) which outlines CelcomDigi's expectations for responsible business practices. Managing compliance to BPCP involves proactive risk-based due diligence performed before engagement, implementing effective mitigation measures, continuous monitoring during the engagement lifecycle, and regular reassessments, including an annual review of risks across business partner categories.

All Compliance programs have been implemented and strengthened through our *OneCompliance* model and supported by four Strategic Compliance Pillars that ensure all business functions comply with applicable laws, regulations, and internal requirements:

a) **Training and Communication:** strengthens awareness and communication across CelcomDigi, including subsidiaries, through monthly compliance newsletters, ensuring 100% completion and pass rate in mandatory training on topics including the Code, Anti-Corruption, and Conflict of Interest. Company-wide Conflict of Interest declarations were conducted to identify and manage actual, potential, and perceived conflicts.
b) **Risk and Monitoring:** conducts periodic, risk-based monitoring, and testing of key controls to assess compliance with regulatory and internal requirements, including oversight of the implementation of the 2024 Corruption Risk Assessment findings and recommendations. This pillar also provides advisory support for investigation cases and monitors the timely implementation of corrective actions.

Statement on Risk Management and Internal Control

c) **Compliance and Transformation:** facilitates automation of conflict-of-interest declarations, gift and hospitality processes, and the implementation of an automated business partner due diligence system to support risk-based onboarding and monitoring.
d) **Governance and Management Reporting:** establishment of a Policy Governance Framework to guide:
- Policy development, review and management
- RASCI creation for accountability
- Centralising policies and manuals
- Completion of the third-party Compliance Maturity Assessment comprising policy implementation and OneCompliance programmes, both rated at CMMI Level 4; and
- Regular engagement with non-wholly owned subsidiaries to oversee policy adoption and provide advisory support for any compliance concerns.

This pillar also acts as the secretariat for GRC meetings, prepares progress updates on the *OneCompliance* programmes for the Board and Principals, and provides Compliance disclosures for SORMIC reporting and the Integrated Annual Report.

10. Internal Audit (IA)

The Internal Audit (IA) function performs independent reviews and assessments to evaluate the adequacy, efficiency, and effectiveness of CelcomDigi's risk management, internal control, and governance processes. To preserve independence and objectivity, IA reports functionally to the BAC. In addition, all IA personnel provide annual confirmation of compliance with the Code of Ethics, affirming their independence and the absence of any conflict of interest.

The annual audit plan is developed using a risk-based methodology aligned with the Group's strategic objectives and is reviewed and approved by the Board every year. The plan also includes provision for advisory engagements, allowing flexibility to address emerging risks and deliver timely, value-added insights to the business.

Audit reports, along with recommendations, management responses, and remedial action plans, are presented to the Management Audit Committee (MAC) and BAC on a quarterly basis. Where required, management representatives attend BAC meetings to provide clarification on significant audit issues and present their action plans. The BAC oversees the implementation and timely closure of agreed actions, thereby reinforcing accountability and effective follow-up of audit outcomes.

The IA function operates in accordance with its Internal Audit Charter, which is reviewed and approved annually by the BAC. IA activities are also conducted in compliance with the Global Internal Audit Standards issued by the Institute of Internal Auditors (IIA), which took effect on 9 January 2025.

As part of its commitment to continuous improvement, the IA department conducts an annual Quality Assurance and Improvement Programme (QAIP). The results of the QAIP are reported to the MAC and BAC annually. Ongoing internal quality assessments are performed, complemented by an external quality assessment conducted by an independent certified body at least once every five years. The latest external Quality Assurance Review (QAR) commenced in December 2025, with the results scheduled for presentation to the BAC within the first half of 2026.

IA plays a key role in fostering a culture of transparency and accountability across the organisation. The IA department administers the whistleblowing integrity hotline, providing a secure and confidential channel for reporting concerns related to misconduct, fraud, or unethical behaviour. IA performs preliminary assessments to evaluate the validity and relevance of reported matters and conducts independent investigations where warranted. The HR onboarding process for new joiners incorporates guidance on reporting unethical behaviour and understanding potential fraud risks, ensuring that every employee is aware of the Group's commitment to integrity and the mechanisms in place to report concerns.

Statement on Risk Management and Internal Control

Review of Statement by External Auditor

As required by Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, External Auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was conducted in accordance with the Audit and Assurance Practice Guide 3 (AAPG 3), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants. AAPG 3 does not require the External Auditors to express an opinion on the adequacy or effectiveness of the Group's Risk Management and Internal Control systems.

Conclusion

The Board has received written assurance from the Chief Executive Officer and the Chief Financial Officer that the Group's Risk Management and Internal Control systems have been operating adequately and effectively, in all material aspects, during the financial year under review and up to the date of this Statement. Taking into account assurances provided by Senior Management and relevant assurance providers, the Board is pleased to report that CelcomDigi's risk management and internal control practices and processes are satisfactory in safeguarding stakeholders' interests, shareholders' investments, customers' interests, and preserving the Group's assets.

ADDITIONAL COMPLIANCE INFORMATION

Other Disclosures

The following information is provided in accordance with Paragraph 9.25 of the Main Market Listing Requirements of Bursa Securities as set out in Appendix 9C thereto.

1. Audit and Non-Audit Fees

During the financial year, the amounts incurred by CelcomDigi and the Group with respect to audit fees and non-audit-related fees paid or payable to its external auditors, Messrs. PricewaterhouseCoopers PLT (**PwC**) and its affiliated firms for the financial year ended 31 December 2025 were as follows:

	Company RM'000	Group RM'000
PwC		
Statutory audit fees	160,000	1,500,000
Audit-related services[1]	Nil	430,000
Non-audit services[2]	Nil	119,000
Member firm of PwC		
Non-audit services	Nil	155,000
Total Fees to PwC	160,000	2,204,000

Notes:
[1] *The audit-related services included reviews of interim financial information, yearly reporting packages, and regulatory reporting, as well as limited assurance on sustainability reporting.*
[2] *The non-audit services comprised of agreed-upon procedures and tax consultation services.*

2. Material Contracts

Save as disclosed in the Circular to the Shareholders in relation to the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature [IP1.1]for CelcomDigi and its subsidiaries dated 15 April 2026, the Company has no other material contracts or loans entered into with the directors, chief executive [SLSY2.1](who is not a director) or major shareholder during the financial year ended 31 December 2025.

3. Recurrent Related Party Transactions of a Revenue or Trading Nature

At the Annual General Meeting held on 22 May 2025, the Company obtained the Shareholders' Mandate to allow the Company and the Group to enter into recurrent related party transactions of a revenue or trading nature.

Disclosure of recurrent related party transactions during the financial year ended 31 December 2025 is set out in the Integrated Annual Report on pages 253 to 254.

4. Utilisation of Proceeds from Corporate Proposals

No proceeds were raised from corporate proposals during the financial year ended 31 December 2025.

5. Material Public Sanction or Penalty

There were no material public sanctions and/or penalties imposed on the Directors and/or Management by relevant regulatory bodies during the financial year ended 31 December 2025.

Additional Compliance Information

6. Executive Share Grant Plan ("ESGP")

The Company established an ESGP on 17 August 2023 of up to 0.5% of the total number of issued shares in the Company throughout the ten-year period of the ESGP for eligible employees who hold senior management positions in the Company and its subsidiaries.

The ESGP is administered by the Company's Board Nomination and Remuneration Committee (**BNRC**). Pursuant to the by-laws of the ESGP, the BNRC may decide to satisfy any of the grants by transferring the Company's treasury shares and/or by payment of cash.

Details of ESGP movement to senior management, including the Chief Executive Officer, from the commencement date and until 31 December 2025 were as follows:

Grant date	No. of shares granted	No. of shares forfeited	No. of shares vested	No. of shares outstanding
1 September 2023	1,779,600	(576,000)	-	1,203,600
1 April 2024	1,759,200	(610,100)	-	1,149,100
2 April 2025	2,682,900	(622,400)	-	2,060,500
	6,221,700	**(1,808,500)**	**-**	**4,413,200**

As at 31 December 2025, none of the shares granted to any of the senior management, including the Chief Executive Officer, have been vested.

The percentage of ESGP which is applicable to the senior management, including the Chief Executive Officer, from the commencement date and until 31 December 2025 is 100%.

STATEMENT OF RESPONSIBILITY BY DIRECTORS

In respect of the preparation of the annual audited financial statements

The Directors are responsible for ensuring that the financial statements of CelcomDigi Berhad and its subsidiaries (the Group) are drawn up in accordance with the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the requirements of the Companies Act 2016.

The Directors are also responsible for ensuring that the annual audited financial statements of the Group are prepared with reasonable accuracy from the accounting records of the Group to give a true and fair view of the financial position of the Group as at 31 December 2025 and of their financial performance and cash flows for the year.

In reviewing the annual audited financial statements, the Directors have relied upon the Group's system of internal controls to provide them with reasonable grounds to believe, to the best of their knowledge and ability, that the Group's accounting records, as well as other relevant records, have been maintained by the Group in a manner that enables them to sufficiently conclude on the following:

a. Appropriate and relevant accounting policies were selected and applied on a consistent basis;
b. Judgements and estimates made are reasonable and prudent; and
c. The annual audited financial statements were prepared on a going concern basis.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

AUDITED FINANCIAL **STATEMENTS**

SECTION 6

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DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities and other information relating to subsidiaries are disclosed in Note 15 to the financial statements.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	1,529,979	1,743,724
Attributable to:		
Owners of the Company	1,513,535	1,743,724
Non-controlling interests	16,444	-
	1,529,979	1,743,724

DIVIDEND

The dividends paid by the Company since the end of the previous financial year were as follows:

	RM'000
In respect of the financial year ended 31 December 2024: Fourth interim single-tier dividend of 3.7 sen per ordinary share, declared on 13 February 2025 and paid on 27 March 2025	434,066
In respect of the financial year ended 31 December 2025: First interim single-tier dividend of 3.7 sen per ordinary share, declared on 22 May 2025 and paid on 30 June 2025	434,066
Second interim single-tier dividend of 3.8 sen per ordinary share, declared on 18 August 2025 and paid on 30 September 2025	445,797
Third interim single-tier dividend of 3.6 sen per ordinary share, declared on 17 November 2025 and paid on 23 December 2025	422,334

The board of directors had on 11 February 2026, declared a fourth interim single-tier dividend of 3.6 sen per ordinary share in respect of the financial year ended 31 December 2025 amounting to RM422.33 million. The financial statements for the current financial year do not reflect this fourth interim dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Vimala V.R. Menon
Datuk Iain John Lo
Khatijah Begom Shah Mohamed
Rita Skjaervik
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz

Directors' Report

DIRECTORS (CONTINUED)

Vivek Sood	
Nik Rizal Kamil Nik Ibrahim Kamil	(Appointed on 12 February 2025)
Jon Omund Revhaug	(Appointed on 21 March 2025)
Irfan ul Wahab Khan	(Appointed on 30 April 2025)
Tunku Alizakri Raja Muhammad Alias	(Appointed on 30 June 2025)
Dr Shridhir Sariputta Hansa Wijayasuriya	(Resigned on 12 February 2025)
Haakon Bruaset Kjoel	(Resigned on 21 March 2025)
Tan Sri Abdul Farid Alias	(Resigned on 30 April 2025)
Kasper Wold Kaarbø	(Resigned on 30 April 2025)

The names of the directors of the subsidiaries of the Company since the beginning of the financial year to the date of this report, not including those directors listed above are:

Albern Murty	
Azmi Ujang	
Datuk Kamal Khalid	
Leong Kin Man	
Assan Nasip	
Datuk Maureen Lind @ Zarina Abdullah (alternate director to Assan Nasip)	
Kesavan Sivabalan	
Loy Kuang Haow	
Cheng Weng Hong	
Afizulazha Abdullah	
Foo Chen Dah	
Chia Choon Hwee Dennis	(Appointed on 2 January 2025)
Joachim Rajaram	(Appointed on 2 January 2025)
T Kugan K Thirunavakarasu	(Appointed on 2 January 2025)
Johan Affendi Johan Shah Steven	(Appointed on 31 July 2025)
Ng Hooi Hoon	(Appointed on 31 July 2025)
Dzul Effendy Ahmad Hayan	(Appointed on 4 September 2025)
Mohamad Damshal Awang Damit	(Appointed on 24 February 2026)
Rudy Jaglul (alternate director to Mohamad Damshal Awang Damit)	(Appointed on 24 February 2026)
Erik Axel Sigurd Marell	(Appointed on 2 January 2025 and deceased on 29 September 2025)
Mohd Nazeem Mohd Nasir	(Appointed on 31 July 2025 and resigned on 3 December 2025)
Praveen Rajan Nadarajan	(Resigned on 2 January 2025)
Tan Moi Tsu @ Lucy Chin Moi Tsu	(Resigned on 2 January 2025)
Chou Kar Loon	(Resigned on 25 April 2025)
Datuk Mohamad Idham Nawawi	(Resigned on 31 August 2025)
Koh Chit Khoon	(Resigned on 9 October 2025)
Datuk Ahmad Rizal Dahli	(Resigned on 30 January 2026)
Rudy Jaglul (alternate director to Datuk Ahmad Rizal Dahli)	(Ceased on 30 January 2026)

Directors' Report

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The directors' benefits are as follows:

	Group RM'000	Company RM'000
Non-executive:		
Fees	2,243	2,165
Benefits-in-kind	88	51
	2,331	2,216

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Group maintains a directors' and officers' liability insurance for any legal liability incurred by the directors and officers in discharging their duties while holding office for the Group and the Company. In respect of the above, the total amount of insurance premium paid for the financial year ended 31 December 2025 was RM138,520. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

DIRECTORS' INTERESTS

The directors in office at the end of the financial year did not have any direct or indirect interest in any shares or options over ordinary shares in the Company or its related companies during the financial year.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company have been written down to an amount which they might be expected so to realise.

Directors' Report

OTHER STATUTORY INFORMATION (CONTINUED)

(b) At the date of this report, the directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any material contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT AND SUBSEQUENT EVENTS

The significant events during the financial year and subsequent event after the end of the financial year are as disclosed in Note 17 and Note 35 to the financial statements, respectively.

Directors' Report

AUDITORS

Auditors' remuneration for the financial year ended 31 December 2025 for the Group and the Company is as follows:

	Group RM'000	Company RM'000
PricewaterhouseCoopers PLT:		
- Statutory audit fees	1,500	160
- Audit related services	430	-
- Non-audit services	119	-
Member firm of PricewaterhouseCoopers PLT:		
- Non-audit services	155	-
	2,204	160

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

To the extent permitted by law, the Company has agreed to indemnify its auditors, PricewaterhouseCoopers PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify PricewaterhouseCoopers PLT for the financial year ended 31 December 2025.

Signed on behalf of the board in accordance with a resolution of the directors dated 18 March 2026.

TENGKU DATO' SRI AZMIL ZAHRUDDIN RAJA ABDUL AZIZ
DIRECTOR

VIMALA V.R. MENON
DIRECTOR

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz and Vimala V.R. Menon, being two of the directors of CelcomDigi Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 152 to 239 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the board in accordance with a resolution of the directors dated 18 March 2026.

TENGKU DATO' SRI AZMIL ZAHRUDDIN RAJA ABDUL AZIZ
DIRECTOR

VIMALA V.R. MENON
DIRECTOR

STATUTORY DECLARATION

Pursuant to Section 251(1)(B) of the Companies Act 2016

I, Chia Choon Hwee Dennis, being the officer primarily responsible for the financial management of CelcomDigi Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 152 to 239 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
above-named Chia Choon Hwee Dennis
at Kuala Lumpur in Wilayah Persekutuan
on 18 March 2026,

Chia Choon Hwee Dennis

Before me,

COMMISSIONER FOR OATHS

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	5	12,957,700	12,679,398	1,860,764	1,773,505
Other income		71,236	74,324	-	111
Cost of materials and traffic expenses		(3,531,799)	(3,015,675)	-	-
Sales and marketing expenses		(653,696)	(670,210)	-	-
Operations and maintenance expenses		(508,093)	(616,551)	-	-
Rental expenses		(419,445)	(322,919)	-	-
Staff expenses	7(a)	(818,026)	(919,259)	-	-
Depreciation expenses		(2,600,659)	(3,017,214)	-	-
Amortisation expenses	12	(215,441)	(246,299)	-	-
Allowance for expected credit losses on trade receivables, other receivables, deposits and contract assets		(362,978)	(159,050)	-	-
Impairment loss on right of use assets	13	(15,000)	(217,200)	-	-
Other expenses		(1,232,006)	(1,258,990)	(2,588)	(2,888)
Finance costs	6	(587,526)	(610,111)	(115,514)	(125,844)
Interest income		18,074	12,837	1,420	874
Share of results from investments accounted for using the equity method	16,17	583	23,289	-	-
Profit before tax		2,102,924	1,736,370	1,744,082	1,645,758
Taxation	8	(572,945)	(346,442)	(358)	(171)
Profit for the financial year		1,529,979	1,389,928	1,743,724	1,645,587
Other comprehensive loss, net of tax					
Item that may be reclassified to profit or loss in subsequent periods					
Foreign currency translation differences		-	(171)	-	-
Item that will not be reclassified to profit or loss in subsequent periods					
Loss on equity instruments designated at fair value through other comprehensive income ("FVOCI")		-	(36)	-	-
Other comprehensive loss for the financial year, net of tax		-	(207)	-	-
Total comprehensive income for the financial year, net of tax		1,529,979	1,389,721	1,743,724	1,645,587

Statements of Comprehensive Income

For the Financial Year Ended 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Profit for the financial year, attributable to:					
Owners of the Company		1,513,535	1,377,737	1,743,724	1,645,587
Non-controlling interests		16,444	12,191	-	-
		1,529,979	1,389,928	1,743,724	1,645,587
Total comprehensive income for the financial year, attributable to:					
Owners of the Company		1,513,535	1,377,530	1,743,724	1,645,587
Non-controlling interests		16,444	12,191	-	-
		1,529,979	1,389,721	1,743,724	1,645,587
Earnings per share attributable to owners of the Company (sen per share)					
- Basic / Diluted	9	12.9	11.7		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Non-current assets					
Property, plant and equipment	11	6,670,519	6,575,763	-	-
Intangible assets	12	18,891,457	18,942,965	-	-
Right of use assets	13	4,685,872	5,133,696	-	-
Investments in subsidiaries	15	-	-	19,523,561	19,523,561
Investment in a joint venture	16	13,650	29,867	-	-
Investment in an associate	17	350,033	233,333	-	-
Receivables, deposits and prepayments	20	1,018,624	858,516	-	-
Contract assets	5	172,713	134,291	-	-
Contract costs	14	35,828	58,126	-	-
Derivative financial assets	21	4,719	2,587	-	-
Deferred tax assets	24	186,211	122,363	-	-
		32,029,626	32,091,507	19,523,561	19,523,561
Current assets					
Inventories	19	197,947	261,269	-	-
Receivables, deposits and prepayments	20	3,022,936	2,722,269	5	5
Contract assets	5	387,018	363,551	-	-
Contract costs	14	168,346	111,224	-	-
Other investments	18	27	27	-	-
Tax recoverable		137,939	224,350	-	-
Cash and short-term deposits	22	933,726	237,321	29,215	136
		4,847,939	3,920,011	29,220	141
Total assets		36,877,565	36,011,518	19,552,781	19,523,702

Statements of Financial Position

As at 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Non-current liabilities					
Trade and other payables	26	-	3,650	-	-
Loans and borrowings	23	10,671,073	11,192,538	2,827,042	2,825,735
Deferred tax liabilities	24	1,131,354	1,198,603	-	-
Provisions	25	327,669	326,293	-	-
Contract liabilities	5	210,951	100,943	-	-
		12,341,047	12,822,027	2,827,042	2,825,735
Current liabilities					
Trade and other payables	26	4,394,139	4,295,325	36,136	19,359
Provisions	25	40,609	60,236	-	-
Other liabilities	27	159,404	-	-	-
Contract liabilities	5	603,925	579,133	-	-
Loans and borrowings	23	3,183,023	1,860,263	-	-
Income tax payable		176,631	204,460	143	35
		8,557,731	6,999,417	36,279	19,394
Total liabilities		20,898,778	19,821,444	2,863,321	2,845,129
Equity					
Share capital	28	16,595,687	16,595,687	16,595,687	16,595,687
Share-based payment reserve	29	9,002	5,576	9,002	5,576
Foreign currency translation reserve	29	(153)	(153)	-	-
Fair value reserve of financial asset at FVOCI	29	(78)	(78)	-	-
(Accumulated losses)/retained earnings		(749,433)	(525,290)	84,771	77,310
Equity attributable to owners of the Company		15,855,025	16,075,742	16,689,460	16,678,573
Non-controlling interests		123,762	114,332	-	-
Total equity		15,978,787	16,190,074	16,689,460	16,678,573
Total equity and liabilities		36,877,565	36,011,518	19,552,781	19,523,702

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2025

		Attributable to owners of the parent							
Group	Note	Share capital RM'000 (Note 28)	Accumulated losses RM'000	Share based payment reserve RM'000 (Note 29)	Foreign currency translation reserve RM'000 (Note 29)	Fair value reserve of financial asset FVOCI RM'000 (Note 29)	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2024		16,595,687	(248,884)[1]	938	18	(42)	16,347,717	111,049	16,458,766
Profit for the financial year		-	1,377,737	-	-	-	1,377,737	12,191	1,389,928
Other comprehensive income for the financial year		-	-	-	(171)	(36)	(207)	-	(207)
Transaction with owners:									
- Share-based payments		-	-	4,638	-	-	4,638	-	4,638
- Dividends on ordinary shares	10	-	(1,654,143)	-	-	-	(1,654,143)	-	(1,654,143)
- Dividends paid to non-controlling interests		-	-	-	-	-	-	(8,908)	(8,908)
At 31 December 2024/ 1 January 2025		16,595,687	(525,290)	5,576	(153)	(78)	16,075,742	114,332	16,190,074
Profit for the financial year		-	1,513,535	-	-	-	1,513,535	16,444	1,529,979
Transaction with owners:									
- Share-based payments		-	-	3,426	-	-	3,426	-	3,426
- Dividends on ordinary shares	10	-	(1,736,263)	-	-	-	(1,736,263)	-	(1,736,263)
- Dividends paid to non-controlling interests		-	-	-	-	-	-	(7,429)	(7,429)
- Additional investment in a subsidiary	15	-	(1,415)	-	-	-	(1,415)	415	(1,000)
At 31 December 2025		16,595,687	(749,433)	9,002	(153)	(78)	15,855,025	123,762	15,978,787

Note: [1] Included an amount of RM1,004.0 million as a result from the Group's capital management initiatives carried out during the financial year ended 31 December 2012. The Company received dividends from one of its subsidiaries in the form of bonus issue of redeemable preference shares and capital repayment amounting to RM509.0 million and RM495.0 million respectively. The Company had declared part of these as special dividends to its shareholders. The deficit arose from the elimination of these intra-group dividends at Group level.

Statements of Changes in Equity

For the Financial Year Ended 31 December 2025

Company	Note	Share capital RM'000	Retained earnings RM'000	Share-based payment reserve RM'000	Total equity RM'000
At 1 January 2024		16,595,687	85,866	938	16,682,491
Total comprehensive income		-	1,645,587	-	1,645,587
Transaction with owners:					
- Share-based payments		-	-	4,638	4,638
- Dividends on ordinary shares	10	-	(1,654,143)	-	(1,654,143)
At 31 December 2024/1 January 2025		16,595,687	77,310	5,576	16,678,573
Total comprehensive income		-	1,743,724	-	1,743,724
Transaction with owners:					
- Share-based payments		-	-	3,426	3,426
- Dividends on ordinary shares	10	-	(1,736,263)	-	(1,736,263)
At 31 December 2025		16,595,687	84,771	9,002	16,689,460

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Cash flows from operating activities					
Profit before tax		2,102,924	1,736,370	1,744,082	1,645,758
Adjustments for:					
Amortisation of intangible assets	12	215,441	246,299	-	-
Depreciation					
- property, plant and equipment	11	1,393,523	1,627,591	-	-
- right of use assets	13	1,207,136	1,389,623	-	-
Impairment of right of use assets	13	15,000	217,200	-	-
Allowance for expected credit loss on trade receivables, other receivables, deposits, and contract assets	32.2	362,978	159,050	-	-
Amortisation of contract cost	14	224,862	171,652	-	-
Inventories written-off/(written back)		3,663	(11,614)	-	-
Dividend income		-	-	(1,860,764)	(1,773,505)
Finance costs	6	587,526	610,111	115,514	125,844
Loss on disposal of property, plant and equipment		4,128	51,307	-	-
Gain on termination of leases		(46,521)	(59,289)	-	-
Loss on disposal of investment in an associate		-	18,402	-	-
Write-off property, plant and equipment		12,678	1,220	-	-
Interest income		(18,074)	(12,837)	(1,420)	(874)
Other income		-	(74,324)	-	(111)
Employee benefits					
- share-based payment		3,426	4,711	3,426	-
- defined benefit plan	25.1	37	310	-	-
Fair value loss on foreign currency forward contracts		-	402	-	-
Fair value gain on investments in shares		-	(3)	-	-
Unrealised foreign exchange loss		3,344	7,701	-	-
Share of results of an associate and a joint venture		(583)	(23,289)	-	-
Reversal of provision for site decommissioning and restoration costs		(32,301)	-	-	-
Operating cash flows before changes in working capital		6,039,187	6,060,593	838	(2,888)

Statements of Cash Flows

For the Financial Year Ended 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Cash flows from operating activities (cont'd)					
Changes in working capital:					
- Inventories		59,659	(3,002)	-	-
- Receivables, deposits and prepayments		(1,164,174)	(750,299)	-	-
- Contract asset		(67,313)	(78,738)	-	-
- Contract costs		(259,686)	(206,102)	-	-
- Trade and other payables		738,658	369,837	16,777	2,697
- Contract liabilities		134,800	93,800	-	-
Cash flows from operations		5,481,131	5,486,089	17,615	(191)
Proceeds from government grants		131,502	30,007	-	-
Defined benefit paid	25.1	(4)	(288)	-	-
Site decommissioning and restoration costs paid	25.1	(14,352)	(31,763)	-	-
Income taxes paid		(645,460)	(861,977)	(250)	(171)
Interest paid		(534,199)	(594,324)	(114,207)	(119,930)
Net cash flows from/(used in) operating activities		4,418,618	4,027,744	(96,842)	(120,292)
Cash Flows From Investing Activities					
Purchase of property, plant and equipment		(1,980,449)	(2,421,125)	-	-
Purchase of intangible assets		(173,233)	(289,343)	-	-
Dividends received from subsidiaries	5	-	-	1,860,764	1,773,505
Dividends received from associate	17.1	-	7,701	-	-
Dividends received from joint venture	16	16,800	-	-	-
Interest received		16,505	11,988	1,420	985
Placement in deposits matured more than 3 months		(80,254)	(13,280)	-	-
Proceeds from government grants		263,208	211,167	-	-
Proceeds from disposal of property, plant and equipment		12,913	2,728	-	-
Proceeds from disposal of investment in an associate	17.1	-	200,000	-	-
Additional investment in an associate	17.2	(116,700)	(100)	-	-
Additional investment in a subsidiary		(1,000)	-	-	-
Net cash flows (used in)/from investing activities		(2,042,210)	(2,290,264)	1,862,184	1,774,490

Statements of Cash Flows

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from financing activities					
Repayment of loans and borrowings	23	(823,566)	(2,163,334)	-	-
Drawdown of loans and borrowings	23	2,027,807	2,972,913	-	-
Payment of lease liabilities		(1,221,721)	(1,057,093)	-	-
Dividends paid	10	(1,736,263)	(1,654,143)	(1,736,263)	(1,654,143)
Dividends paid to non-controlling interests		(7,429)	(8,908)	-	-
Net cash flows used in financing activities		(1,761,172)	(1,910,565)	(1,736,263)	(1,654,143)
Net increase/(decrease) in cash and cash equivalents		615,236	(173,085)	29,079	55
Effect of exchange rate changes on cash and cash equivalents		915	108	-	-
Net decrease/(increase) in restricted cash and cash equivalent		580	(1,633)	-	-
Cash and cash equivalents at beginning of financial year		219,368	393,978	136	81
Cash and cash equivalents at end of financial year	22	836,099	219,368	29,215	136

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The principal place of business is located at Level 31, Menara CelcomDigi, No. 6, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor. The registered office of the Company is located at Level 30, Menara CelcomDigi, No. 6, Persiaran Barat, Seksyen 52, 46200 Petaling Jaya, Selangor.

The principal activity of the Company is investment holding, whilst the principal activities of the subsidiaries are stated in Note 15. There has been no significant change in the nature of the principal activities during the financial year.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared on the historical cost convention unless indicated otherwise in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if, and only if, the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (continued)

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (continued)

Business combinations (continued)

The Group applies predecessor accounting to account for business combinations under common control. Under predecessor accounting, assets and liabilities acquired are not restated to their respective fair values. They are recognised at the carrying amounts from the consolidated financial statements of the ultimate holding company of the Group and adjusted to conform with the accounting policies adopted by the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (as of the date of the transaction) of the acquired entity is recognised as an adjustment to equity. No additional goodwill is recognised.

The acquired entity's results, assets and liabilities are consolidated as if both the acquirer and acquiree had always been combined. Consequently, the consolidated financial statements reflect both entities' full year's results. The comparative information is restated to reflect the combined results of both entities. Acquisition-related costs are expensed as incurred.

2.3 Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries is accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See Note 2.7 on accounting policy for impairment of non-financial assets.

On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss. Disposal related costs are expensed as incurred.

The amounts due from subsidiaries of which the Group does not expect repayment are considered as quasi-investment as part of the Group's investments in the subsidiaries.

2.4 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Investment in associates and joint ventures (continued)

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of results of an associate and a joint venture' in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.5 Property, plant and equipment, and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, 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.

Subsequent to recognition, property, plant and equipment, except for freehold land and capital work-in-progress, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item includes expenditure that is attributable to the acquisition of the item. 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. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. The carrying amount of the replaced part is then derecognised. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the asset as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit and loss as incurred.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Property, plant and equipment, and depreciation (continued)

Freehold land has an unlimited useful life and is therefore not depreciated. Capital work-in-progress representing assets under construction, is also not depreciated as these assets are not yet available for its intended use. Depreciation of other property, plant and equipment is computed on a straight-line basis to write down the cost of each asset to its residual value over the estimated useful life, at the following annual rates or periods:

Freehold buildings	2.0%
Motor vehicles	20.0%
Computer systems	20.0% - 33.3%
Furniture and fittings	14.3% - 33.3%
Telecommunications network	3.3% - 33.3%

The residual values, useful lives and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate, to ensure that the amount, method and period of depreciation are consistent with the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit and loss in the financial year the asset is derecognised.

2.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit and loss.

Intangible assets with indefinite useful lives or not yet available for use are not amortised, but are tested for impairment annually, or more frequently if events and circumstances indicate that the carrying value may be impaired either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit and loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.6 Intangible assets (continued)

Computer software

Costs incurred to acquire computer software, that are not an integral part of the related hardware, are capitalised as intangible assets and amortised on a straight-line basis over the estimated useful life of 5 years.

Customer relationship

Customer relationship acquired in a business combination is measured at fair value at the date of acquisition. The customer relationship with finite life is amortised on a straight-line basis over its estimated useful life of 10 years and assessed for impairment whenever there is an indication that the customer relationship may be impaired.

Goodwill and other indefinite useful lives assets

The accounting policy on goodwill is disclosed in Note 2.2. Other indefinite useful lives assets include trademark acquired in a business combination measured at fair value at the date of acquisition. The trademark, which is considered to have indefinite useful life, is not amortised but tested for impairment, annually or more frequently, when indications of impairment are identified. The useful life of trademark is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on prospective basis.

2.7 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying amounts of the assets with their recoverable amounts.

For intangible assets not yet available for use, the recoverable amount is estimated at the end of each reporting period, or more frequently if events and circumstances indicate that the carrying value may be impaired either individually or at the cash generating unit ("CGU") level.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use ("VIU"). For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows, namely a CGU.

In assessing VIU, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units, if any and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment is recognised whenever the carrying amount of an asset or CGU exceeds its recoverable amount, and the impairment loss is recognised as an expense in profit and loss in the period in which it arises.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.7 Impairment of non-financial assets (continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed if, and only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.8 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of trading merchandise comprises costs of purchases and other incidental costs incurred in bringing these merchandise to their present condition and location.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.9 Financial assets

2.9.1 Initial recognition and measurement

Financial assets are classified, at initial recognition as, subsequently measured at amortised cost, fair value through other comprehensive income (“OCI”), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. The Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs except for trade receivables that do not contain a significant financing component. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (“SPPI”) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refer to how the financial assets are managed in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (continued)

2.9.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

The Group and the Company do not have any debt instruments at fair value through OCI with recycling of cumulative gains and losses.

(a) Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost includes trade and other receivables and cash and short-term deposits.

(b) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group and the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under MFRS 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group and the Company elected to classify irrevocably its non-listed equity investments under this category.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.9 Financial assets (continued)

2.9.2 Subsequent measurement (continued)

(c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the profit or loss.

This category includes derivative instruments such as foreign currency forward contracts and interest rate swaps. Derivative instruments are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

2.9.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, the Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of financial assets and contract assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss and contract assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the category of debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are overdue for more than 60 days. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and deposits with licensed banks with a maturity 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. These also include bank overdrafts, if any, that form an integral part of the Group's cash management.

Interest income from deposits with licensed banks is recognised in profit or loss by applying the effective interest rate to the gross carrying amount of the financial assets.

2.12 Provision for liabilities

Provisions for liabilities are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability to the present value of the expenditure expected to be required to settle the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.12 Provision for liabilities (continued)

(a) Site decommissioning and restoration costs

Provision for site decommissioning and restoration costs is in respect of management's best estimate on the costs necessary to be incurred to decommission the Group's telecommunications network infrastructure and restore the previously occupied sites.

The estimated amount is determined after taking into consideration the time value of money, and the initial estimated sum is capitalised as part of the cost of property, plant and equipment. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(b) Defined benefit plan

Provision for defined benefit plan for eligible employees is as disclosed in Note 2.16(c).

2.13 Financial liabilities

2.13.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include derivative financial instruments and other financial liabilities.

2.13.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as financial liabilities at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 9.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. This category includes derivative instruments such as foreign currency forward contracts and interest rate swaps.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Financial liabilities (continued)

2.13.2 Subsequent measurement (continued)

(b) Other financial liabilities

The Group and the Company's other financial liabilities include trade and other payables, and loans and borrowings and other liabilities.

After initial recognition, trade and other payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

This category generally applies to interest-bearing loans and borrowings, trade and other payables and other liabilities. For more information, refer to Note 23, Note 26 and Note 27.

2.13.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

2.13.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of their liabilities. Ordinary shares are equity instruments.

The attributable incremental transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.15 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15 Leases (continued)

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right of use ("ROU") assets representing the right to use the underlying assets.

(a) ROU assets

The Group recognises ROU assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The Group elected to apply the practical expedient not to separate out non-lease components from lease components and instead account for the lease and non-lease component as a single component.

ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land and buildings	21 - 99 years
Telecommunication network sites	1.25 - 30 years
Spectrum bandwidths	1.5 - 16 years
Stores, office buildings and kiosks	2 - 30 years

The ROU assets are also subject to impairment. Refer to Note 2.7 for accounting policy on impairment of non-financial assets.

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate and are dependent on a future activity are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term.

The Group's lease liabilities are included in loans and borrowings. Refer to Note 23.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15 Leases (continued)

Group as a lessee (continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of telecommunication network sites, equipment and billboard spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases of office equipment and storage spaces that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.16 Employee benefits

(a) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the period in which the associated services are rendered by employees. Short-term accumulated compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences netted off against annual leave utilised to date, and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plan

As required by law, companies in Malaysia make contributions to the state-defined contribution pension scheme known as the Employee Provident Fund, and will have no legal or constructive obligation to make further contributions in the future, over-and-above what is existing legally required. The contributions are recognised as an expense in profit and loss in the period which the related services are rendered by employees.

(c) Defined benefit plan

The Group operates an unfunded defined benefit plan for its eligible employees. The benefits are calculated based on the length of service and the agreed percentages of eligible employees' salaries over the period of their employment and are payable upon resignation after completion of the minimum employment period of ten years or upon retirement age of sixty years. The Group's obligations under the retirement benefit scheme, calculated using the Projected Unit Credit Method, is determined based on actuarial computations by independent actuaries, through which the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted in order to determine its present value.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income in the period in which they occur and recorded in defined benefit reserve. Remeasurements are not reclassified to profit and loss in subsequent periods.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Employee benefits (continued)

(c) Defined benefit plan (continued)

Past service costs are recognised in profit and loss on the earlier of:

- The date of the plan amendment or curtailment; or
- The date that the Group recognises restructuring related costs.

Net interest and other expenses relating to defined benefit plans are calculated by applying the discount rate to the net defined benefit liability or asset and recognised in profit and loss.

The Group amended the defined benefit plan effective 1 January 2006 to restrict new entrants into the plan, and the benefits payable to be calculated based on the employees' length of service up to 31 December 2005.

(d) Share-based compensation

For equity-settled, share-based compensation plan, the fair value of employee services rendered in exchange for the grant of the shares and/or options is recognised as an expense with a corresponding increase in equity over the vesting period. The total amount to be expensed in the income statements over the vesting period is determined by reference to the fair value of shares and/or options granted at the grant date and the number of shares and/or options vested by vesting date, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in the estimates of the number of shares and/or options that are expected to become vested and/or exercisable. At each reporting date, the respective companies will revise its estimates of the number of shares and/or options that are expected to be vested and it recognises the impact of this revision in the income statements with a corresponding adjustment to equity. After the vesting date, no adjustment to the income statements is made. For performance shares that are expected to be granted, due to services received before grant date, the total amount to be recognised over the vesting period is determined by reference to the fair value of the performance shares at the end of the reporting period, until the date of grant has been established.

The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium when the options are exercised. For share-based compensation plan implemented by a subsidiary, the proceeds are credited in equity as transactions with owners.

Where the terms of a share-based compensation plan are modified, the expense that has yet to be recognised for the award is recognised over the remaining vesting period as if the terms had not been modified. Additional expense is recognised for any increase in the total fair value of the share and/or options due to the modification, as measured at the date of the modification.

2.17 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.17 Income taxes (continued)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales and Services Tax ("SST")

SST is recognised as part of the expense or cost of acquisition of the asset as SST is not recoverable.

Revenue is recognised net of the amount of SST billed as it is payable to the taxation authority. SST payable to the taxation authority is included as part of payables in the statements of financial position.

2.18 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the financial statements.

2.19 Revenue recognition

2.19.1 Revenue from contracts with customers

The Group is in the business of providing telecommunication and related services.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of indirect taxes.

The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition (continued)

2.19.1 Revenue from contracts with customers (continued)

(a) Telecommunication revenue

Telecommunication revenue from postpaid and prepaid services provided by the Group are recognised over time, as the benefits of telecommunication services are simultaneously received and consumed by the customer.

Revenue from prepaid services (i.e. preloaded talk time, prepaid top-up vouchers, etc.) are recognised when services are rendered. Consideration from the sale of prepaid sim cards and reload vouchers to customers where services have not been rendered at the reporting date is deferred as contract liability until actual usage or when the cards, vouchers or reloaded amounts are expired or forfeited.

Postpaid services are provided in postpaid packages which consists of various services (i.e. call minutes, internet data, Short Message Service ("SMS"), etc.). These postpaid packages have been assessed to meet the definition of a series of distinct services that are substantially the same and have the same pattern of transfer and as such the Group treats these packages as a single performance obligation.

Postpaid packages are either sold separately or bundled together with the sale of a mobile device to a customer. Mobile devices can also be obtained separately from other mobile device retailers and can be used together with the postpaid packages provided by the Group. Postpaid packages and mobile devices are capable of being distinct and separately identifiable, therefore, there are two performance obligations within a bundled transaction. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the postpaid packages and device.

Stand-alone selling price are based on observable sales prices; however, where stand-alone selling prices are not directly observable, estimates will be made maximising the use of observable inputs.

(b) Sale of device

Revenue from sale of device is recognised at the point in time when control of the asset is transferred to the customer, usually on delivery and acceptance of the device.

Payment for the transaction price of the mobile device is typically collected at the point the customer signs up for the bundled contract, except for bundled packages that have a payment structure allowing customers to pay for the mobile device over a period of time. For these arrangements the Group discounts the transaction price using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

Certain bundled contracts provide the customer with a right to return the mobile devices during a specified time frame. The Group uses the expected value method to estimate the mobile devices that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in MFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For mobile devices that are expected to be returned, the Group adjusts revenue and recognises a refund liability instead. Correspondingly, costs of sales is also adjusted and a right of return asset is recognised as the right to recover the mobile device from the customer.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition (continued)

2.19.1 Revenue from contracts with customers (continued)

(c) Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services (i.e. mobile devices or telecommunication services) transferred to the customer. If the Group transfers goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets are subject to impairment assessment based on the ECL model.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 2.9.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 Group performs under the contract.

For prepaid services, a contract liability is recognised when consideration is received from a customer, but services are yet to be performed.

(d) Cost to obtain a contract

The Group pays sales commissions to external sales channels and employees as an incentive for each new customer registration to the Group's telecommunication services. The Group also incurs fibre modem and fibre installation cost for new fibre customers.

These costs have been determined to be an incremental cost of obtaining a contract and are capitalised as contract costs when the Group expects these costs to be recovered over a period of more than one year.

Contract costs are amortised on a straight-line basis over the expected customer life cycle, which is consistent with the pattern of the related revenue. For contract costs with an amortisation period of less than one year, the Group has elected to apply the practical expedient to recognise as an expense when incurred.

Amortisation of contract costs are included as part of expenses in the profit or loss, based on the nature of costs, and not under amortisation expenses.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition (continued)

2.19.1 Revenue from contracts with customers (continued)

(d) Cost to obtain a contract (continued)

The Group recognises an impairment loss in profit or loss to the extent that the carrying amount of the contract costs recognised exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relate, less the remaining costs that relate directly to providing those goods or services (that have not been recognised as an expense).

When impairment conditions no longer exist or have improved, the Group will recognise a reversal of some or all of the impairment losses previously recognised on the contract costs. The increased carrying amount of the contract costs should not exceed the amount that would have been determined (net of amortisation) had no impairment loss been recognised previously.

2.19.2 Interest revenue

Interest revenue on receivables from contracts with customers with significant financing components is recognised over the customer's contract period using an effective interest rate reflecting the customers' credit risk.

2.19.3 Dividend income

Dividend income is recognised when the Company's right to receive payment is established, and is presented as revenue in profit or loss, aligned with the principal activity of the Company as an investment holding entity.

2.19.4 Lease income

Lease income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2.20 Government grants

As a universal service provider ("USP"), the Group is entitled to claim certain qualified expenses from the Malaysian Communications and Multimedia Commission ("MCMC") in relation to USP projects. These claims are treated as government grants and recognised at their fair values where there is reasonable assurance that the grants will be received and the Group complies with all the attached conditions.

A grant relating to the asset is recognised as income over the life of the depreciable asset by way of a reduced depreciation charge. Grant relating to income is recognised in profit and loss by crediting directly against the related expense.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21 Foreign currency transactions

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements of the Group are presented in RM, which is also the functional currency of all entities in the Group.

Transactions in foreign currencies are initially converted into RM at exchange rates prevailing at the date of transaction. At each reporting date, foreign currency monetary items are translated into RM at exchange rates prevailing at that date.

Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition.

(b) Foreign currency transactions

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised directly in other comprehensive income.

2.22 Fair value measurement

The Group measures financial instruments such as derivatives at fair value at each reporting date. The fair values of financial instruments measured at amortised cost are disclosed in Note 32.6.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability; or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the Financial Statements

31 December 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.22 Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.23 Segment reporting

The Group provides telecommunication and related services to customers across the country and its services and products essentially have a similar risk profile. Business activities of the Group are not organised by product or geographical components and its operating result is reviewed as a whole by its management. Accordingly, there is no separate segment, as disclosed in Note 34.

2.24 Derivatives

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each reporting period. A derivative is presented as a financial asset when the fair value is positive and as a financial liability when the fair value is negative.

Derivative assets and liabilities held primarily for trading purposes, or those expected to be realised, sold, consumed (for assets), or settled (for liabilities) within the Group's normal operating cycle, are classified as current assets and liabilities.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

3.1 Adoption of new and amended MFRSs and interpretation

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2025, the Group and the Company adopted the following amended MFRS mandatory for annual financial periods beginning on or after 1 January 2025.

Description

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates

The adoption of the above amendments did not have any significant impact on the financial statements of the Group and of the Company.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

3.2 Standards issued but not yet effective

The standards and amendments that are issued but not yet effective up to the date of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective

Description	Effective for annual periods beginning on or after
Amendments to MFRS 7: Financial Instruments: Disclosures	1 January 2026
Amendments to MFRS 9: Financial Instruments	1 January 2026
Amendments to MFRS 107: Statement of Cash Flows	1 January 2026
Amendments to MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027

The impact of amendments to the standards issued but not yet effective above is being assessed by the Group and the Company.

The implications of applying MFRS 18 on the Group's consolidated financial statements is still being assessed. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of MFRS 18 will have no impact on the Group and the Company's net profit, the Group and the Company expect that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group and the Company have performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in 'other expense' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
  - MFRS 18 requires the derivative gains or losses to be classified in the same category as the income and expenses affected by the risk that the derivative is used to manage. The Group is currently evaluating the need for change.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the Group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.
- The Group and the Company do not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/ disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - for the first annual period of application of MFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying MFRS 18 and the amounts previously presented applying MFRS 101.
- The Group and the Company will change the classification of interest received and interest paid in the statement of cash flow. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

MFRS 18 will be applied retrospectively.

Notes to the Financial Statements

31 December 2025

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements 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. Management makes key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The following represents a summary of the significant accounting estimates and judgement and the associated key sources of estimation uncertainty, which may have significant effects on the amounts recognised in the financial statements:

4.1 Impairment assessment of goodwill and other indefinite useful lives assets

The goodwill and other indefinite useful lives assets are arising from the acquisition of Celcom Berhad and its subsidiaries ("Celcom Group") in 2022. The Group considers other indefinite useful lives assets include trademark of Celcom which is subsequently subsumed in the CelcomDigi brand name has indefinite useful life because it is supported by ongoing marketing activities and expected to contribute to the Group's net cash flows indefinitely.

Management has performed impairment assessment of goodwill and other indefinite useful lives assets annually, irrespective of whether there are any impairment indications. This requires an estimation of the value in use ("VIU") of the CGU to which goodwill and other indefinite useful lives assets are allocated. Estimating a VIU amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions applied in the impairment assessment are disclosed in Note 12.

4.2 Useful lives of property, plant and equipment

Depreciation of property, plant and equipment is based on management's estimates of the future estimated useful lives and residual values of property, plant and equipment. Estimates of useful lives may change due to technological developments, modernisation initiatives, expected level of usage, competition, market conditions and other factors, which could potentially impact the average useful lives and the residual values of these assets. This may result in future changes in the estimated useful lives and depreciation expenses. A reduction in the estimated useful lives of property, plant and equipment by 1 year, the depreciation for the next 1 year will increase approximately by 34% (2024: 20%). The carrying amounts of property, plant and equipment at the reporting date are disclosed in Note 11.

4.3 Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group then adjusts the historical credit loss experience taking into consideration the forward-looking information. For example, if the Group's view of the forecasted economic conditions (i.e. inflation rate, unemployment rate, interest rate and economic outlook for Malaysia) are expected to significantly deteriorate over the next financial year which may lead to an increase in the unrecoverable rate of the receivables and contract assets. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The Group estimates the relationship between historical observed default rates, forecast economic conditions and ECL which may not be representative of customer's actual default in the future. The information about the provision matrix on the Group's trade receivables and contract assets is disclosed in Note 32.2.

If the historical observed default rates varies by 5.0% from management's estimates, the Group's allowance for expected credit loss on trade receivables and contract assets will cause either a 1.1% (2024: 1.8%) increase or 1.1% (2024: 1.8%) decrease respectively in the Group's profit for the financial year.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.4 Revenue recognition - determining stand-alone selling price ("SSP")

The Group has assessed that there are two performance obligations for bundled contracts where the Group needs to allocate the transaction price between the telecommunication service and mobile device based on their relative SSP.

SSP for telecommunication services and mobile devices are based on observable sales prices; however, where certain SSP are not directly observable, estimates will be made maximising the use of observable inputs.

Judgement is involved in determining relevant sources of SSP that will directly determine the amount of revenue to be recognised up front (sale of device) and amount of revenue to be recognised over time (telecommunication revenue). For example, a lower SSP for mobile device will result in a lower amount of revenue recognised upfront and higher amount of revenue recognised over the contract period.

The revenue recognised in the current financial year in relation to sale of device and telecommunication revenue is detailed in Note 5.

4.5 Estimating the lease term - Group as a lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to exercise the option, or any periods covered by an option to terminate the lease, if it is reasonably certain not to exercise the option, within the period for which the contract is enforceable.

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. For example, for leases of certain telecommunication network sites, if the Group expects to use significant non-removable leasehold improvements beyond the date on which the lease can be terminated, the existence of those leasehold improvements may indicate that the Group might incur a more than insignificant penalty if it terminates the lease. For leases of telecommunication network sites, other factors to consider in assessing the lease term include the technology development and potential changes in business models.

The Group reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is 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.

Based on the assessment of these factors, the lease term for the Group's leases relating to telecommunication network sites will normally be within a range of 1 to 30 years (2024: 1 to 30 years).

Notes to the Financial Statements

31 December 2025

5. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers (Note 5.1)	12,762,707	12,500,807	-	-
Interest revenue (Note 5.2)	81,794	68,549	-	-
Lease income (Note 5.3)	113,199	110,042	-	-
Dividend income from subsidiaries	-	-	1,860,764	1,773,505
	12,957,700	12,679,398	1,860,764	1,773,505

5.1 Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by major products or service lines (which also represents the Group's defined performance obligations).

Group	Note	2025 RM'000	2024 RM'000
Major products/service lines			
Telecommunication revenue	(a)	10,824,674	10,723,754
Sales of devices	(b)	1,938,033	1,777,053
Total revenue from contracts with customers		12,762,707	12,500,807

The timing of revenue recognition for respective major products or service lines are as follows:

(a) Telecommunication revenue was recognised over time

(b) Sale of devices was recognised at a point in time

5.2 Interest revenue

The Group offers devices in bundled contracts relates to customers payment for the devices over a period of up to 36 months (2024: 36 months) arising from the Group's ordinary activities. The interest revenue represents the significant financing component of such contracts.

5.3 Group as a lessor

The Group has entered into operating leases on certain network telecommunication sites. These leases have lease terms between one to seven years (2024: one to seven years). Lease income recognised by the Group during the financial year is RM113.2 million (2024: RM110.0 million).

Notes to the Financial Statements

31 December 2025

5. REVENUE (CONTINUED)

5.3 Group as a lessor (continued)

The future minimum rentals receivable under non-cancellable operating leases are as follows:

	2025 RM'000	2024 RM'000
Within one year	107,881	104,593
In the 2nd year	108,361	104,593
In the 3rd year	108,062	104,593
In the 4th year	5,481	11,624
In the 5th year	5,481	5,489
Later than five (5) years	1,400	6,896
Total undiscounted lease payments	336,666	337,788

5.4 Contract assets

Contract assets primarily relate to rights to consideration for mobile devices transferred to subscribers but not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. The movement of contract assets are as follows:

Group	Note	2025 RM'000	2024 RM'000
At 1 January		497,842	425,762
Additions due to revenue recognised during the financial year		627,376	508,485
Transfer to receivables		(560,063)	(429,747)
Impairment during the financial year	32	(5,424)	(6,658)
At 31 December		559,731	497,842

5.5 Contract liabilities

Contract liabilities mainly relate to advance consideration received from subscribers at inception of contracts, for which revenue is only recognised upon rendering of telecommunication service.

The movement of contract liabilities are as follows:

Group	2025 RM'000	2024 RM'000
At 1 January	680,076	586,276
Additions	4,902,457	5,025,123
Recognised as revenue	(4,767,657)	(4,931,323)
At 31 December	814,876	680,076

Notes to the Financial Statements

31 December 2025

5. REVENUE (CONTINUED)

5.6 Unutilised performance obligations

The revenue expected to be recognised in the following financial years in relation to performance obligations that are unsatisfied as at the reporting date is as follows:

	Group	
Group	2025 RM'000	2024 RM'000
Telecommunication service	4,426,330	3,762,099

Management expects that all of the transaction price allocated to the unsatisfied performance obligations as at the end of the financial year will be recognised as revenue within the next 10 years (2024: 10 years).

6. FINANCE COSTS

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expenses on:					
- Loans and borrowings		372,411	345,772	115,514	125,844
- Others		4,665	8,249	-	-
Unwinding of discount:					
- Lease liabilities	13	201,230	240,272	-	-
- Site decommissioning and restoration cost	25.1	11,193	16,291	-	-
Net change in fair value of derivative financial instruments:					
- Interest rate swaps		(1,973)	(473)	-	-
		587,526	610,111	115,514	125,844

Notes to the Financial Statements

31 December 2025

7. PROFIT BEFORE TAX

Profit before tax is derived after deducting/(crediting):

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Allowance for expected credit losses on trade receivables, other receivables, contract assets, and deposits	32.2	362,978	159,050	-	-
Depreciation:		2,600,659	3,017,214	-	-
- property, plant and equipment	11	1,393,523	1,627,591	-	-
- ROU assets	13	1,207,136	1,389,623	-	-
Impairment loss:					
- ROU assets	13	15,000	217,200	-	-
Amortisation of:					
- intangible assets	12	215,441	246,299	-	-
- contract cost	14	224,862	171,652	-	-
Staff expenses	7(a)	818,026	919,259	-	-
Non-executive directors remuneration excluding benefits-in-kind	7(b)	2,243	2,319	2,165	2,241
Universal Service Provision contributions		484,121	499,064	-	-
Transmission facilities services		506,907	408,035	-	-
Apparatus assignment fees		148,280	156,129	-	-
Utilities expenses		342,524	298,737	-	-
Device expenses		2,127,547	1,904,261	-	-

Notes to the Financial Statements

31 December 2025

7. PROFIT BEFORE TAX (CONTINUED)

Profit before tax is derived after deducting/(crediting): (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Auditors' remuneration:				
- statutory audit fees	1,500	1,410	160	160
- audit related services[1]	430	311	-	-
- non-audit services[2]				
- PricewaterhouseCoopers PLT	119	158	-	-
- Member firm of PricewaterhouseCoopers PLT	155	-	-	-
Inventories written-off/(written back)	3,663	(11,614)	-	-
Rental of land and buildings	345,253	275,156	-	-
Rental of equipment and others	74,192	63,851	-	-
Realised foreign exchange (gain)/loss	(112)	1,286	-	-
Unrealised foreign exchange loss	3,344	7,701	-	-
Fair value loss on foreign currency forward contracts	-	402	-	-
Fair value gain on investment in shares	-	(3)	-	-
Loss on disposal of property, plant and equipment	4,128	51,307	-	-
Gain on termination of leases	(46,521)	(59,289)	-	-
Write-off of property, plant and equipment	12,678	1,220	-	-
Loss on disposal of an associate	-	18,402	-	-
Bad debts recovered	(23,967)	(25,469)	-	-
Reversal of provision for site decommissioning and restoration costs	(32,301)	-	-	-
Interest income from deposits with licensed banks	(18,074)	(12,837)	(1,420)	(874)

(1) The audit-related services included reviews of interim financial information, yearly reporting packages, and regulatory reporting, as well as limited assurance on sustainability reporting.

(2) The non-audit services comprised of agreed-upon procedures and tax consultation services.

Notes to the Financial Statements

31 December 2025

7. PROFIT BEFORE TAX (CONTINUED)

(a) Staff expenses incurred by the Group net of capitalisation of employee benefits expense in property, plant and equipment of RM90.9 million (2024: RM107.9 million) during the financial year comprise:

Group	Note	2025 RM'000	2024 RM'000
Salaries and bonuses		667,460	752,444
Defined contribution plan		87,115	88,881
Defined benefit plan	25.1	37	310
Share-based payment		3,426	4,711
Other staff related expenses		59,988	72,913
		818,026	919,259

(b) Non-executive directors' remuneration during the financial year comprises:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-executive:				
- Fees	2,243	2,319	2,165	2,241
- Benefits-in-kind	88	58	51	43
Total	2,331	2,377	2,216	2,284

The number of non-executive directors of the Company whose total remuneration during the financial year falls within the following band is analysed below:

	Number of directors	
Non-executive directors	2025	2024
Nil	8	6
RM1 - RM50,000	-	-
RM50,001 - RM100,000	-	-
RM100,001 - RM150,000	-	-
RM150,001 - RM200,000	2	-
RM200,001 - RM250,000	-	-
RM250,001 - RM300,000	-	-
RM300,001 - RM350,000	-	-
RM350,001 - RM400,000	-	-
RM400,001 - RM450,000	3	2
RM450,001 - RM500,000	-	2
RM500,001 - RM550,000	1	1

Notes to the Financial Statements

31 December 2025

8. TAXATION

Major components of income tax expense

The major components of income tax expense for the financial years ended 31 December 2025 and 2024 are:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Statements of comprehensive income:				
Current income tax:				
- Malaysian income tax	666,140	595,871	295	171
- Under/(Over) provision in prior financial years	37,902	(77,241)	63	-
Total current income tax	704,042	518,630	358	171
Deferred taxation (Note 24):				
- Relating to origination and reversal of temporary differences	(114,913)	(135,668)	-	-
- Over provision in prior financial years	(16,184)	(36,520)	-	-
Total deferred tax	(131,097)	(172,188)	-	-
Taxation	572,945	346,442	358	171

Reconciliations of income tax expense/rate applicable to profit before tax at the statutory income tax rate to income tax expense/rate at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before tax	2,102,924	1,736,370	1,744,082	1,645,758
Taxation at Malaysian statutory tax rate	504,702	416,729	418,580	394,982
Effect of expenses not deductible for tax purposes	82,189	72,746	28,298	30,830
Effect of income not subject to tax	(35,664)	(29,272)	(446,583)	(425,641)
Under/(Over) provision of income tax expense in prior financial years	37,902	(77,241)	63	-
Over provision of deferred tax expense in prior financial years	(16,184)	(36,520)	-	-
Taxation	572,945	346,442	358	171

Domestic current income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated taxable profit for the financial year.

Notes to the Financial Statements

31 December 2025

9. EARNINGS PER SHARE

Earnings per share is calculated by dividing profit for the financial year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

Group	2025	2025
Profit attributable to owners of the Company (RM'000)	1,513,535	1,377,737
Weighted average number of ordinary shares in issue ('000)	11,731,508	11,731,508
Basic earnings per share (sen)	12.9	11.7
Diluted earnings per share (sen)	12.9	11.7

The effects to the earnings per share from Executive Share Grant Plan ("ESGP") of the Company is anti-dilutive.

10. DIVIDENDS

	Group/Company	
	2025 RM'000	2024 RM'000
Recognised during the financial year:		
Dividends on ordinary shares:		
Fourth interim single-tier dividend (2024: 3.7 sen; 2023: 3.5 sen)	434,066	410,603
First interim single-tier dividend (2025: 3.7 sen; 2024: 3.5 sen)	434,066	410,603
Second interim single-tier dividend (2025: 3.8 sen; 2024: 3.5 sen)	445,797	410,603
Third interim single-tier dividend (2025: 3.6 sen; 2024: 3.6 sen)	422,334	422,334
	1,736,263	1,654,143

The board of directors had on 11 February 2026, declared a fourth interim single-tier dividend of 3.6 sen per ordinary share in respect of the financial year ended 31 December 2025 amounting to RM422.33 million. The financial statements for the current financial year do not reflect this fourth interim dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2026.

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11. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Freehold buildings RM'000	Motor vehicles RM'000	Computer systems RM'000	Furniture and fittings RM'000	Tele-communi-cations network RM'000	Capital work-in-progress RM'000	Total RM'000
Cost								
At 1 January 2025	54,631	226,413	24,400	297,488	196,481	12,641,321	1,046,724	14,487,458
Additions	-	751	-	5,937	64	99,114	1,418,532	1,524,398
Disposals	-	(4,746)	(5,399)	(9,637)	(1,879)	(258,768)	-	(280,429)
Write offs	-	-	-	-	-	(15,075)	(12,678)	(27,753)
Transfers	-	-	-	38,218	65,526	1,267,324	(1,371,068)	-
At 31 December 2025	54,631	222,418	19,001	332,006	260,192	13,733,916	1,081,510	15,703,674
Accumulated depreciation and impairment losses								
At 1 January 2025	-	54,537	18,277	225,541	155,172	7,458,168	-	7,911,695
Depreciation expenses for the financial year (Note 7)	-	5,651	1,984	44,934	38,021	1,302,933	-	1,393,523
Disposals	-	(4,459)	(5,399)	(9,635)	(1,877)	(235,618)	-	(256,988)
Write offs	-	-	-	-	-	(15,075)	-	(15,075)
At 31 December 2025	-	55,729	14,862	260,840	191,316	8,510,408	-	9,033,155
Net carrying amount								
At 31 December 2025	54,631	166,689	4,139	71,166	68,876	5,223,508	1,081,510	6,670,519

Notes to the Financial Statements

31 December 2025

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Freehold buildings RM'000	Motor vehicles RM'000	Computer systems RM'000	Furniture and fittings RM'000	Tele-communi-cations network RM'000	Capital work-in-progress RM'000	Total RM'000
Cost								
At 1 January 2024	46,028	226,413	20,268	270,063	144,587	11,358,977	698,861	12,765,197
Additions	-	-	-	5,966	421	117,451	1,998,876	2,122,714
Disposals	-	-	(504)	(13,976)	(1,596)	(387,621)	(4,122)	(407,819)
Write offs	-	-	-	(22)	-	-	(1,215)	(1,237)
Transfers	-	-	4,636	35,457	53,069	1,552,514	(1,645,676)	-
Reclassification from ROU assets	8,603	-	-	-	-	-	-	8,603
At 31 December 2024	54,631	226,413	24,400	297,488	196,481	12,641,321	1,046,724	14,487,458
Accumulated depreciation and impairment losses								
At 1 January 2024	(367)	43,912	16,933	169,119	132,801	6,275,507	-	6,637,905
Depreciation expenses for the financial year (Note 7)	367	10,625	1,848	70,415	23,967	1,520,369	-	1,627,591
Disposals	-	-	(504)	(13,976)	(1,596)	(337,708)	-	(353,784)
Write offs	-	-	-	(17)	-	-	-	(17)
At 31 December 2024	-	54,537	18,277	225,541	155,172	7,458,168	-	7,911,695
Net carrying amount								
At 31 December 2024	54,631	171,876	6,123	71,947	41,309	5,183,153	1,046,724	6,575,763

(a) The Group acquired property, plant and equipment with an aggregate cost of RM1,524.4 million (2024: RM2,122.7 million) of which RM23.6 million (2024: RM12.8 million) relates to the provision for site decommissioning and restoration costs, as disclosed in Note 25.1 and accrual of RM641.6 million (2024: RM735.3 million) as non-cash transactions.

(b) Government grants receipt and accrued during the financial year of RM385.9 million (2024: RM240.3 million) relating to additions of qualifying property, plant and equipment, were deducted before arriving at the cost of property, plant and equipment during the financial year ended 31 December 2025.

(c) In the previous financial year, the freehold building of one of the subsidiaries have been pledged to a licensed bank as security for banking facilities amounted to RM3.5 million granted to the Company as disclosed in Note 23.

(d) Included accelerated depreciation charges of RM23.6 million (2024: RM110.4 million) due to network integration and consolidation activities during the financial year.

(e) Current year disposal of telecommunications network included a reversal of asset retirement obligation assets of RM6.4 million.

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12. INTANGIBLE ASSETS

Group	Computer software RM'000 (Note a)	Customer relationship RM'000 (Note b)	Goodwill and other indefinite useful lives assets RM'000 (Note c)	Total RM'000
Cost				
At 1 January 2025	900,511	1,172,380	17,669,760	19,742,651
Additions	163,933	-	-	163,933
At 31 December 2025	1,064,444	1,172,380	17,669,760	19,906,584
Accumulated amortisation				
At 1 January 2025	552,119	247,567	-	799,686
Amortisation expenses for the financial year (Note 7)	96,613	118,828	-	215,441
At 31 December 2025	648,732	366,395	-	1,015,127
Net carrying amount				
At 31 December 2025	415,712	805,985	17,669,760	18,891,457
Cost				
At 1 January 2024	671,071	1,172,380	17,669,760	19,513,211
Additions	238,464	-	-	238,464
Disposals	(8,931)	-	-	(8,931)
Write offs	(93)	-	-	(93)
At 31 December 2024	900,511	1,172,380	17,669,760	19,742,651
Accumulated amortisation				
At 1 January 2024	433,772	128,639	-	562,411
Amortisation expenses for the financial year (Note 7)	127,371	118,928	-	246,299
Disposals	(8,931)	-	-	(8,931)
Write offs	(93)	-	-	(93)
At 31 December 2024	552,119	247,567	-	799,686
Net carrying amount				
At 31 December 2024	348,392	924,813	17,669,760	18,942,965

Note:
Total additions during the financial year includes non-cash transactions arising from payable and accrual of RM13.3 million (2024: RM22.6 million).

12. INTANGIBLE ASSETS (CONTINUED)

(a) Computer software

Included in the cost of computer software are computer software not yet available for use of RM175.9 million as at 31 December 2025 (2024: RM95.0 million).

(b) Customer relationship

Refers to the customer relationship acquired through business combination in year 2022. Customer relationship has a finite useful life and is amortised using the straight-line method over its estimated useful life of 10 years, with remaining amortisation period of 6.9 years.

(c) Goodwill and other indefinite useful lives assets

The goodwill arose from the acquisition of equity interest in Celcom Berhad and its subsidiaries in year 2022.

Impairment test for goodwill and other indefinite useful lives assets

For impairment testing purpose, goodwill and other indefinite useful lives assets acquired through business combination have been allocated to the entire telecommunication CGU. The recoverable amount of the entire telecommunication CGU is determined based on value-in-use calculation, which use free cash flow projections for the next five financial years based on financial forecast and projection approved by the board of directors.

The forecast and projection reflect management's expectations of revenue growth, operating costs and margins based on past experience and future outlook of the CGU. Cash flows beyond the fifth year are extrapolated in perpetuity using estimated terminal growth rate which takes into consideration the current and projected inflation and average growth rate for the telecommunication industry in Malaysia.

The discount rate applied to the cash flow forecast represents the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

The following assumptions have been applied in the VIU calculation:

	2025	2024
Revenue growth rates	2.0% to 4.5%	2.0% to 4.7%
Terminal growth rate	2.0%	2.0%
Pre-tax discount rate	8.4%	9.9%

Based on the assessment above, the goodwill and other indefinite useful lives assets are not impaired as the recoverable amount of the CGU exceeds the carrying amounts included in the financial statements.

Sensitivity to changes in key assumptions

The management believes that there are no reasonably possible changes in any of the above key assumptions which would cause the carrying amounts of the goodwill and other indefinite useful lives assets to materially exceed the recoverable amounts.

13. RIGHT OF USE ASSETS AND LEASE LIABILITIES

Group as a lessee

	Leasehold land and buildings RM'000	Tele-communi-cations network sites RM'000	Trans-mission facilities RM'000	Spectrum bandwidths RM'000	Stores, office buildings and kiosks RM'000	Total RM'000
Carrying amount						
At 1 January 2025	378,023	2,409,455	-	2,228,360	117,858	5,133,696
Additions	4,457	353,655	-	428,145[2]	19,653	805,910
Depreciation expense for the financial year (Note 7)	(22,908)	(816,455)[1]	-	(356,095)	(11,678)	(1,207,136)
Lease modification	-	(707)	-	43,353	-	42,646
Termination	-	(26,432)	-	-	(320)	(26,752)
Impairment	-	(15,000)[1]	-	-	-	(15,000)
Reclassification	-	-	-	(47,492)[3]	-	(47,492)
At 31 December 2025	359,572	1,904,516	-	2,296,271	125,513	4,685,872
Carrying amount						
At 1 January 2024	406,192	3,280,097	443	2,651,068	106,531	6,444,331
Additions	2,171	637,551	-	27,930	24,203	691,855
Depreciation expense for the financial year (Note 7)	(21,737)	(950,296)[1]	(443)	(404,363)	(12,784)	(1,389,623)
Lease modification	-	(33,000)	-	-	-	(33,000)
Termination	-	(307,697)	-	-	(92)	(307,789)
Impairment	-	(217,200)[1]	-	-	-	(217,200)
Reclassification	(8,603)	-	-	(46,275)[3]	-	(54,878)
At 31 December 2024	378,023	2,409,455	-	2,228,360	117,858	5,133,696

Notes:

(1) During the financial year, the Group assessed the carrying amounts of certain ROU assets of RM15.0 million (2024: RM217.2 million) for telecommunication network sites and fully impaired the assets as the sites have been decommissioned and no longer in use to generate the telecommunication cashflows. Additionally, the Group recognised accelerated depreciation of RM118.1 million (2024: RM112.7 million) on ROU assets of the telecommunication network sites that have been identified to be decommissioned as part of the Group's network and consolidation exercise.

13. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

Group as a lessee (continued)

Notes: (continued)

(2) The Group has accepted the assignment of spectrum from the Malaysian Communications and Multimedia Commission ("MCMC") for 2x5MHz in the 1800MHz band and 2x20MHz in the 2600MHz band. The assignments are effective 30 November 2025. The Group has made price component payments of RM292.5 million to MCMC for both bands and will commit cumulative annual payments totalling RM120 million across the assignment period of the respective bands. The spectrum assignment period is effective until 30 June 2032 for the 1800MHz band and until 30 June 2027 for the 2600MHz band.

(3) The Group reclassified total of 70MHz of spectrum to prepayment for the following three bands (each referred to as a "Band") to address the issue of spectrum concentration post-merger - 20MHz in the 2100MHz spectrum band, 10MHz in the 1800MHz spectrum band, and 40MHz in the 2600MHz spectrum band. First band to be returned within two (2) years from 30 November 2022, second and third band will be returned within three (3) years from 30 November 2022.

The divestment of the 20MHz in the 2100MHz spectrum band, ie. the first band to be returned to MCMC, has been completed on 29 November 2024 and the divestment of the remaining two spectrum bands have been completed on 29 November 2025.

The Group's lease arrangements are mainly in relation to telecommunication network sites, transmission facilities and spectrum bandwidths which are used to support the Group's telecommunication operations. The lease arrangements generally do not allow for subleasing of the leased asset, unless there is a contractual right for the Group to sublet the lease asset to another party.

The Group also has certain leases with lease terms of 12 months or less and leases that have been determined to be low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemption for these leases.

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the financial year:

	Group	
	2025 RM'000	2024 RM'000
At 1 January	4,589,012	5,354,328
Additions	805,910	691,855
Unwinding of discount	201,230	240,272
Lease modification	42,646	(33,000)
Termination	(73,273)	(367,078)
Payments		
- Principal	(1,221,721)	(1,057,093)
- Interest	(201,230)	(240,272)
At 31 December	4,142,574	4,589,012

The maturity analysis of lease liabilities is disclosed in Note 32.4.

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13. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)

The following are amounts recognised in profit or loss:

	Group	
	2025 RM'000	2024 RM'000
Depreciation expense of right of use assets (Note 7)	1,207,136	1,389,623
Interest expense on lease liabilities (Note 6)	201,230	240,272
Expenses included in sales and marketing expenses:		
- short-term leases	10,640	15,863
Rental expenses presented separately on statement of comprehensive income:		
- short-term leases	419,445	322,919
- leases of low value assets	646	225
	1,839,097	1,968,902

The Group has total cash outflow for leases amounting to RM1,853.7 million (2024: RM1,636.4 million).

14. CONTRACT COSTS

	Group	
	2025 RM'000	2024 RM'000
Capitalised costs, net of amortisation	204,174	169,350
Amortisation recognised in operating expenses (Note 7)	224,862	171,652

15. INVESTMENTS IN SUBSIDIARIES

	Group	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost	19,523,561	19,523,561

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15. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of company	Percentage of ownership interest held by the Group		Country of incorporation	Principal activities
	2025 (%)	2024 (%)		
Celcom Berhad	100	100	Malaysia	Provision of mobile telecommunications services and network transmission related services
CelcomDigi Telecommunications Sdn. Bhd. ("CDTSB")	100	100	Malaysia	Establishment, maintenance and provision of telecommunications and related services
InfraNation Sdn. Bhd.	100	100	Malaysia	Telecommunications infrastructure and services
Subsidiaries held through Celcom Berhad				
CelcomDigi Mobile Sdn. Bhd.	100	100	Malaysia	Mobile communications, network and application services and content
Celcom Networks Sdn. Bhd.	100	100	Malaysia	Network communications, capacity and services
Celcom Properties Sdn. Bhd.	100	100	Malaysia	Property investment
Celcom Escape Sdn. Bhd.	100	100	Malaysia	Dormant
Celcom Retail Holding Sdn. Bhd.	100	100	Malaysia	Dormant
Celcom Intelligence Sdn. Bhd.	100	100	Malaysia	Dormant
Celcom Timur (Sabah) Sdn. Bhd.	80	80	Malaysia	Fibre optic transmission network, cloud-based business solution and software solution
Celcom eCommerce Sdn. Bhd.	100	100	Malaysia	Dormant
Celcom Resources Sdn. Bhd.	100	100	Malaysia	Dormant
Infront Consulting Group (M) Sdn. Bhd. ("Infront")	100	60	Malaysia	Shared services or outsourcing services in relation to business management and integration system and related services for implementation, technical services and maintenance
Bridgenet Solutions Sdn. Bhd.	51	51	Malaysia	Cybersecurity, networking, information communication technology ("ICT") solutions and managed services
Subsidiary held through CDTSB				
Y3llowlabs Sdn. Bhd.	100	100	Malaysia	Providing solutions and services related to web technologies, internet, e-commerce and digital services
Subsidiary held through Celcom Resources Sdn. Bhd.				
Celcom Trading Sdn. Bhd.	100	100	Malaysia	Dormant

Notes to the Financial Statements

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15. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of company	Percentage of ownership interest held by the Group 2025 (%)	2024 (%)	Country of incorporation	Principal activities
Subsidiary held through Celcom Retail Holding Sdn. Bhd.				
Celcom Retail Sdn. Bhd.	100	100	Malaysia	Dormant
Subsidiary held through Infront				
Infront Consulting Group (S) Pte Ltd#	69	41.4	Singapore	Under compulsory winding-up
Subsidiary held through Bridgenet Solutions Sdn. Bhd.				
Bridgenet Solutions Pte. Ltd.*	51	-	Singapore	Provision of information technology cybersecurity consultancy services

Not audited by the auditor of the Company
* Exempted from audit

The non-controlling interests of the Group for the financial year are regarded as not material in the view of the directors and therefore the related disclosures are not included.

For the financial year ended 31 December 2025

(a) On 29 August 2025, Celcom Berhad, a wholly owned subsidiary of CelcomDigi Berhad entered into a Share Purchase Agreement with Redynamics Asia Sdn. Bhd. ("RASB") to acquire RASB's 40% equity interest in Infront for a total cash consideration of RM1,000,000. The acquisition was completed on 27 October 2025 and Infront has since become a wholly-owned subsidiary of the Group.

(b) On 8 August 2025, Bridgenet Solutions Sdn. Bhd., an indirect subsidiary of CelcomDigi Berhad incorporated a subsidiary, Bridgenet Solutions Pte. Ltd. (“BNSG”). Bridgenet Solutions Sdn. Bhd. subscribed 100 ordinary shares in BNSG, representing 100% equity interest in BNSG, for cash consideration of SGD 1 (equivalent to RM 3).

Impairment assessment for cost of investment in subsidiaries

The Company performed impairment assessments of its costs of investments in certain subsidiaries as there were indicators of impairment as follows:

During the financial year, the Company performed impairment assessment of its cost of investments in Celcom Berhad and CDTSB as the carrying amount of cost of investments exceed net assets.

The recoverable amount was determined based on the value-in-use (“VIU”) calculation. The following assumptions have been applied in the VIU calculation.

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15. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Impairment assessment for cost of investment in subsidiaries (continued)

	2025	2024
Revenue growth rates	2.0% - 4.5%	2.0% - 4.7%
Terminal growth rates	2.0%	2.0%
Pre-tax discount rate	8.4%	9.9%

The VIU calculation apply a discounted cash flow model using approved cash flow projections based on financial budgets and forecasts covering 3 years period. Based on the impairment assessment, the Company has concluded no impairment is required during the financial year.

Sensitivity to changes in key assumptions

The management believes that there are no reasonably possible changes in any of the above key assumptions which would cause the carrying amounts of the cost of investments to materially exceed the recoverable amounts.

16. INVESTMENT IN A JOINT VENTURE

	Group	
	2025 RM'000	2024 RM'000
In Malaysia		
Unquoted shares, at cost	5,250	5,250
Share of post-acquisition reserves	8,400	24,617
	13,650	29,867

Details of the joint venture incorporated in Malaysia are as follows:

Name of company	Percentage of ownership interest held by the Group		Principal activities
	2025 (%)	2024 (%)	
Joint venture held through CelcomDigi Mobile Sdn. Bhd.			
Tune Talk Sdn. Bhd.	35	35	Mobile communication services

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16. INVESTMENT IN A JOINT VENTURE (CONTINUED)

The Group's share of profit in investment in Tune Talk Sdn. Bhd. recognised:

	Group	
	2025 RM'000	2024 RM'000
Assets and liabilities		
Non-current assets	63,000	16,000
Current assets	140,000	165,333
Current liabilities	(164,000)	(96,000)
Net assets	39,000	85,333
Group's share of net assets	13,650	29,867
Share of Tune Talk Sdn Bhd's profits during the financial year	583	15,867

The Group has received dividend of RM 16.8 million (2024: RM nil) from Tune Talk Sdn. Bhd. during the financial year.

17. INVESTMENT IN AN ASSOCIATE

	Group	
	2025 RM'000	2024 RM'000
In Malaysia		
Unquoted shares, at cost		
- Sacofa Sdn. Bhd. ("Sacofa") (Note 17.1)	-	-
- Digital Nasional Berhad ("DNB") (Note 17.2)		
- Unquoted shares, at cost	133	100
- Shareholder's advance	349,900	233,233
	350,033	233,333

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17. INVESTMENT IN AN ASSOCIATE (CONTINUED)

Name of company	Percentage of ownership interest held by the Group		Principal activities
	2025 (%)	2024 (%)	
Associate held through InfraNation Sdn. Bhd.			
Digital Nasional Berhad ("DNB") (Note 17.2)	0.03	0.02	To build, own and operate a 5G network and infrastructure and to provide access of its network to licensed telecommunications service providers in Malaysia.

17.1 On 22 August 2024, Celcom Berhad, a wholly-owned subsidiary of the Company, has entered into a sale and purchase agreement with State Financial Secretary, Sarawak, to dispose all shareholdings and warrants in Sacofa Sdn. Bhd. ("Sacofa") of 15.12% associate of Celcom Berhad, for a cash consideration of RM200,000,000 comprising:

(i) RM137,496,828 for the Sale Shares at the approximate price of RM10.71 per share; and
(ii) RM62,503,172 for the Sale Warrants at the price of RM4.87 per warrant.

Following the completion of disposal, a net loss on disposal of RM18.4 million has been recognised and Sacofa has ceased to be an associate of the Group.

The Group has received dividend of RM 7.7 million from Sacofa in the previous financial year.

17.2 On 1 December 2023, the Group entered into a conditional share subscription agreement ("SSA") with DNB and Minister of Finance, Incorporated ("MoF Inc") to subscribe for an equity stake in DNB ("Proposed Subscription") of 100,000 new ordinary shares in DNB for RM100,000 and a prepayment amounting to RM233.2 million for products and services to be delivered by DNB ("AA Prepayment").

On 28 June 2024, the Group had completed the Proposed Subscription in accordance with the terms and conditions of the SSA, which includes the completion of the Proposed Subscription of RM100,000 and the conversion of the AA Prepayment of RM233.2 million to the Proposed Shareholder Advance of RM233.2 million. The completion provides the Group the strategic optionality of further participation in the DNB transition with the eligibility to potentially own and operate the second 5G Network. The Shareholder Advance to DNB does not bear any interest, no repayment terms, carries voting rights and Board participation rights, which is akin to an investment.

Additionally, the Group had entered into a shareholders' agreement with MoF Inc., DNB, YTL Power International Berhad ("YTL"), Maxis Broadband Sdn Bhd ("Maxis") and U Mobile Sdn Bhd ("U Mobile") to regulate the relationship of the shareholders of DNB ("DNB Shareholders"), and set out the basis upon which DNB will undertake the Government of Malaysia's mandate to be a provider of 5G network and services in Malaysia and to finance, build, operate and maintain such infrastructure and utilise spectrum allocated for 5G ("Shareholders' Agreement").

17. INVESTMENT IN AN ASSOCIATE (CONTINUED)

17.2 The Shareholders Agreement includes the following:

(i) Put option by MoF Inc.

MoF Inc. to sell its 500 million ordinary shares at RM1 each ("MoF Share") and transfer its shareholders advance of RM450 million ("MoF Loan") in DNB (both collectively, "MoF Put Option") to the DNB Shareholders.

Upon MoF exercise MoF Put Option, each remaining DNB Shareholder is required to purchase its proportion of MoF Share and take over its proportion of MoF Loan.

(ii) Call option by DNB Shareholders

DNB Shareholders may exercise the call option granted under the Shareholders' Agreement ("Shareholders Call Option") to purchase their proportion of MoF Share and MoF Loan from MoF or the Exiting Shareholders.

On 30 May 2025, the Group completed the acquisition of 33,333 shares in DNB from U Mobile at RM1.00 per share, for a total consideration of RM33,333. The acquisition was undertaken to facilitate U Mobile's exit from DNB following its selection to implement Malaysia's second 5G network. Upon completion, the Group's shareholding in DNB increased to 133,333 ordinary shares, representing a legal interest of 0.03% in DNB.

On 15 August 2025, the Group provided additional shareholder advance to DNB amounting to RM116,666,667 ("Additional Shareholder Advance"). The Additional Shareholder Advance is provided in the agreed proportions amongst the DNB shareholders in accordance with the terms and conditions set out in the Shareholders' Agreement.

On 1 December 2025, the Group received a Put Option notice from MoF Inc pursuant to the terms of the Shareholders' Agreement ("Put Notice") where MoF Inc has put to and require the Group, Maxis and YTL as the Investor Shareholders to purchase the ordinary shares in DNB owned by MoF Inc. and take over the MoF Inc. Loan together with accrued interest and the MoF Inc. Additional Shareholder Advance in accordance with the proportion of shareholding by the Investor Shareholders.

As at 31 December 2025, the Group recognised the investment in DNB as an associate, representing a legal interest of 0.03% (2024: 0.02%) based on the ordinary shares.

During the financial year, the Group had undertaken an impairment assessment on its investment in DNB as there are indicators of impairment.

The Group has adopted the fair value less cost to sell method to determine the recoverable amount of investment in DNB. In determining the recoverable amount, the Group has obtained a 16-years cash flows of DNB which is consistent with the validity of spectrum assignments offered by Malaysian Communications and Multimedia Commission ("MCMC") to DNB up to 2041 and incorporated the following key assumptions:

- Sufficient financing will be available to support the projected cash flows, including external borrowings. For any financing shortfall, shareholders' support will be extended to the extent approved by the respective DNB shareholders.
- Projected revenue of DNB has been assumed based on the expected access rates and traffic demand from the mobile network operators ("MNOs"). The traffic demand was estimated to be in line with market expectations and the access rate is based on ongoing discussions with the existing MNOs.
- An appropriate discount rate reflecting the risk of the investment, with an additional loading factor of 2% to incorporate elements of uncertainties of the cash flow projection.

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17. INVESTMENT IN AN ASSOCIATE (CONTINUED)

17.2 Based on the assessment above, the carrying amount of investment in DNB was not impaired as the recoverable amount exceeded the carrying amount. However, it is critical that DNB can obtain sufficient funding externally or from their shareholders to meet their liquidity requirements to operate as going concern.

Management has performed sensitivity analysis on key assumptions. Based on sensitivity analysis performed, if the projected revenue reduced by 2.5%, the recoverable amount would equal to the carrying value of the investment.

18. OTHER INVESTMENTS

	Group	
	2025 RM'000	2024 RM'000
Current		
Financial asset at fair value through profit or loss		
Quoted shares, at cost	27	27

19. INVENTORIES

	Group	
	2025 RM'000	2024 RM'000
Merchandise:		
- At cost	189,952	201,556
- At net realisable value	7,995	59,713
	197,947	261,269

During the financial year, the amount of inventories recognised as an expense in cost of materials of the Group was RM2,137.9 million (2024: RM1,910.0 million).

Notes to the Financial Statements

31 December 2025

20. RECEIVABLES, DEPOSITS AND PREPAYMENTS

20.1 Trade receivables, other receivables and deposits

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Non-current					
Trade receivables	20.1.1	577,677	413,201	-	-
Allowance for expected credit loss on trade receivables	32.2	(20,194)	(12,911)	-	-
		557,483	400,290	-	-
Deposits, net of impairment	20.1.3	206,513	201,303	-	-
		763,996	601,593	-	-
Current					
Trade receivables	20.1.1	2,437,796	2,136,302	-	-
Allowance for expected credit loss on trade receivables	32.2	(534,134)	(360,393)	-	-
		1,903,662	1,775,909	-	-
Other receivables, net of impairment	20.1.2	630,094	536,664	-	-
Deposits, net of impairment	20.1.3	38,703	39,412	5	5
		2,572,459	2,351,985	5	5
		3,336,455	2,953,578	5	5

20.1.1 Trade receivables

The Group's trade receivables include receivables on deferred payment schemes amounting to RM1,262.8 million (2024: RM895.7 million), which allows eligible customers on bundled packages to make payment for mobile devices over a 24-month period.

Apart from the deferred payment scheme receivables, the Group's trade receivables are non-interest bearing, and are subject to normal trade credit terms ranging from 30 to 60 days (2024: 30 to 60 days). They are recognised at their original invoice amounts which represent their fair value on initial recognition.

20.1.2 Other receivables

Other receivables include mainly receivables from regulatory body for grants related to project awarded.

20. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

20.1 Trade receivables, other receivables and deposits (continued)

20.1.3 Deposits

The Group's deposits include:

- Non-current and current deposits given to local city councils of RM103.6 million (2024: RM71.6 million) for public infrastructure works which are refundable upon completion;
- Non-current and current deposits for site rental of RM135.4 million (2024: RM109.1 million) which are refundable upon expiration of contract.

20.1.4 Foreign currency exposures

As at 31 December 2025, the Group's trade receivables balances included exposure to foreign currency denominated in United States Dollar ("USD") and Special Drawing Rights ("SDR") amounting to RM39.6 million (2024: RM70.7 million) and RM115.0 million (2024: RM98.6 million) respectively.

20.2 Prepayments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current	254,628	256,923	-	-
Current	450,477	370,284	-	-
	705,105	627,207	-	-

The Group's non-current and current prepayments include prepayment made for 5G access service of RM180.6 million (2024: RM106.8 million) and advances to network facility and services providers of RM181.3 million (2024: RM257.7 million).

Notes to the Financial Statements

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21. DERIVATIVE FINANCIAL ASSETS

	Note	Group 2025 RM'000	2024 RM'000
Non-hedging derivative financial assets			
Non-current:			
- Interest rate swaps	21.1	4,719	2,587

21.1 Interest rate swaps

	Notional value RM'000	Fair value RM'000	Assets RM'000
Interest rate swaps			
- 2025	475,000	479,719	4,719
- 2024	475,000	477,587	2,587

Interest rate swaps are used to manage appropriate fair value change exposure within the Group. The Group entered into interest rate swaps to hedge the fair value risk in relation to the fixed interest rates of the Sukuk, as disclosed in Note 23 with notional principal amounts of RM475.0 million (2024: RM475.0 million).

The interest rate swaps entitle the Group to receive interest semi-annually at fixed rates ranging from 4% to 5% per annum, and in return, pays interest quarterly at Malaysia Overnight Rate ("MYOR") plus a spread with a weighted average rate of 3% (2024: 3%). The swaps mature at varying dates based on the maturity of different tranches of the Sukuk.

Notes to the Financial Statements

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22. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	435,993	106,081	29,215	136
Deposits with licensed banks	497,733	131,240	-	-
Total cash and short-term deposits	933,726	237,321	29,215	136
Represented by:				
Cash and cash equivalents	836,099	219,368	29,215	136
Restricted cash and cash equivalents	4,093	4,673	-	-
Deposits maturing more than three (3) months	93,534	13,280	-	-
Total cash and short-term deposits	933,726	237,321	29,215	136

Cash and cash equivalents include cash on hand and at banks and deposits with financial institutions. For the purpose of the statements of cash flows, cash and cash equivalents are net of outstanding bank overdrafts, if any.

The Group's cash and cash equivalents included amounts of foreign currency denominated in USD totalling RM63.0 million (2024: RM26.7 million) at the reporting date.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The weighted average effective interest rates of deposits at the reporting date are as follows:

	Group	
	2025 %	2024 %
Deposits with licensed banks	3	3

The deposits with licensed banks of the Group will mature within ten months (2024: within four months) from the end of the reporting date.

Included in the deposits with licensed banks of the Group at the reporting date is an amount of RM4.1 million (2024: RM4.7 million) which has been pledged as security for banking facilities granted to one of the subsidiaries as disclosed in Note 23.

Notes to the Financial Statements

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23. LOANS AND BORROWINGS

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Non-Current					
Secured:					
Floating-rate term loans	23.1	-	1,496	-	-
Fixed-rate term financing	23.1	-	15	-	-
Other financing arrangement	23.2	7,917	5,661	-	-
		7,917	7,172	-	-
Unsecured:					
Lease liabilities	13	3,241,281	3,757,726	-	-
Floating-rate term loans	23.3	398,494	98,146	-	-
Floating-rate term financing-i	23.4	2,974,041	2,983,265	-	-
Loan from a subsidiary	23.5	-	-	2,827,042	2,825,735
Bankers' acceptances	23.6	2,602	-	-	-
Sukuk	23.9	4,046,738	4,346,229	-	-
		10,663,156	11,185,366	2,827,042	2,825,735
		10,671,073	11,192,538	2,827,042	2,825,735
Current					
Secured:					
Floating-rate term loans	23.1	-	183	-	-
Fixed-rate term financing	23.1	-	218	-	-
Bankers' acceptances	23.6	-	14,811	-	-
Other financing arrangement	23.2	7,483	3,292	-	-
		7,483	18,504	-	-
Unsecured:					
Floating-rate term financing-i	23.4	712,500	250,000	-	-
Floating-rate revolving credit	23.7	5,000	60,473	-	-
Bankers' acceptances	23.6	17,303	-	-	-
Sukuk	23.9	839,444	250,000	-	-
Lease liabilities	13	901,293	831,286	-	-
Floating-rate revolving credit-i	23.8	700,000	450,000	-	-
		3,175,540	1,841,759	-	-
		3,183,023	1,860,263	-	-
Total loans and borrowings		13,854,096	13,052,801	2,827,042	2,825,735

Notes to the Financial Statements

31 December 2025

23. LOANS AND BORROWINGS (CONTINUED)

The loans and borrowings above are denominated in RM.

The weighted average effective interest/profit rates at the reporting date for loans and borrowings are as follows:

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Secured:				
Floating-rate term loans	-	4	-	-
Fixed-rate term financing	-	4	-	-
Other financing arrangement	3	3	-	-
Bankers' acceptances	4	5	-	-
Unsecured:				
Floating-rate term loans	4	4	-	-
Floating-rate term financing-i	4	4	-	-
Loan from a subsidiary	-	-	4	4
Bankers' acceptances	4	5	-	-
Sukuk	4	4	-	-
Floating-rate revolving credit	4	4	-	-
Floating-rate revolving credit-i	4	4	-	-
Lease liabilities	3 - 6	3 - 6	-	-

23.1 Floating-rate term loans and fixed-rate term financing (secured)

In the previous financial year, these facilities of the Group were secured by:

(i) a first party legal charge over a freehold building as disclosed in Note 11(c); and

(ii) a joint and several guarantee of certain directors of a subsidiary.

23.2 Other financing arrangement

Other financing arrangement of the Group is relating to the financing arrangement on equipment which bore effective interest rate of 3.32% (2024: 3.32%) per annum, with first repayment due in May 2027.

23.3 Floating-rate term loans (unsecured)

During the financial year, the Group had drawn down RM300 million (2024: RM100 million), maturing on 9 April 2031. The interest rate ranges from 3.76% to 4.20% (2024: 4.20%) per annum, repayable in 8 equal installments, commencing October 2027.

Notes to the Financial Statements

31 December 2025

23. LOANS AND BORROWINGS (CONTINUED)

23.4 Floating-rate term financing-i

During the financial year, the Group had drawn down RM700 million (2024: RM700 million) islamic term loan facilities. The term loans are maturing between 22 March 2026 and 23 December 2030. The interest rate ranges from 3.69% to 4.36% (2024: 4.01% to 4.37%) per annum.

23.5 Loan from a subsidiary

Loans from a subsidiary are unsecured, bears interests at rates of 4% to 5% per annum and repayable by way of instalments commenced from 30 June 2028 up to 31 December 2033.

23.6 Bankers' acceptances

The bankers' acceptances of the Group bore effective interest rate ranging from 4.05% to 4.68% (2024:4.51% to 4.85%) per annum. As at 31 December 2025, the bankers' acceptances are unsecured.

As at 31 December 2024, the bankers' acceptances of the Group are secured by:
(i) a Facility Agreement as Principal Instrument;
(ii) deposits with licensed banks as disclosed in Note 22;
(iii) a 70% guarantee coverage by Syarikat Jaminan Pembiayaan Perniagaan Berhad; and
(iv) a joint and several guarantee of certain directors of a subsidiary.

23.7 Floating-rate revolving credit

The revolving credit facility was drawdown for working capital requirement. The amount was rolled-over on a monthly basis. The interest rate ranges from 4.03% to 4.51% (2024: 4.03% to 4.51%) per annum.

23.8 Floating-rate revolving credit-i

The revolving credits facility was drawdown for working capital requirement. The amount was rolled-over on a quarterly basis at a weighted average effective interest rate of 4% per annum. The interest is fixed at the date of each drawdown and subsequently revised at the commencement of each roll-over period, ranges from 3.68% to 4.12% (2024: 4.01%) per annum.

23.9 Sukuk

The Group through its wholly-owned subsidiary, CDTSB, has established an Islamic medium term note programme of up to RM5.0 billion in nominal value ("CDTSB Sukuk") based on the Islamic principle of Murabahah (via a Tawarruq arrangement). The tenure of CDTSB Sukuk is perpetual.

Notes to the Financial Statements

31 December 2025

23. LOANS AND BORROWINGS (CONTINUED)

23.9 Sukuk (continued)

As at 31 December 2025, the carrying amount of the CDTSB Sukuk is RM4,050.0 million. The Group had drawn down RM500 million during the financial year (2024: RM1,000 million). The series of CDTSB Sukuk in issue consists of:

Tranche	Tenure	Rate %	Maturity date	Nominal Value RM'000
003	10 years	5	14 April 2027	300,000
004	7 years	4	18 September 2026	450,000
005	10 years	4	20 September 2029	450,000
007	5 years	5	2 December 2027	350,000
008	7 years	4	30 May 2030	1,000,000
009	5 years	4	27 June 2029	500,000
010	7 years	4	27 June 2031	500,000
011	5 years	4	17 December 2030	300,000
012	7 years	4	17 December 2032	200,000
Total				4,050,000

The proceeds from CDTSB Sukuk have been partially hedged against interest rate risk using interest rate swaps as disclosed in Note 21.

Another wholly-owned subsidiary of the Group, Celcom Networks Sdn. Bhd. has issued in prior years a Sukuk of RM5.0 billion in nominal value (referred to as "Celcom Sukuk"). The tenure of Celcom Sukuk was converted to be perpetual in the previous financial year. Celcom Sukuk was also issued under Islamic financing principles of Murabahah.

As at 31 December 2025, the carrying amount of the Celcom Sukuk is RM800.0 million. The series of Celcom Sukuk in issue consists of:

Series	Tenure	Rate %	Maturity date	Nominal value RM'000
8	10 years	5	28 October 2026	350,000
11	10 years	5	27 August 2027	450,000
Total				800,000

The Group is subject to certain covenants for Celcom Sukuk. These covenants required that certain ratios such as EBITDA to financing costs and Debts to Asset to be met by Celcom Group at all time. The Group is in compliance with these covenants as at reporting date.

Notes to the Financial Statements

31 December 2025

23. LOANS AND BORROWINGS (CONTINUED)

Maturity analysis

The maturities of the Group's loans and borrowings at the reporting date are as follows:

	Group	
	2025 RM'000	2024 RM'000
Less than one financial year	3,183,023	1,860,263
Between one and two financial years	3,026,741	2,295,920
Between two and five financial years	5,766,172	5,793,536
More than five financial years	1,878,160	3,103,082
	13,854,096	13,052,801

Reconciliation of liabilities arising from financing activities

Group	Interest bearing loans and borrowings RM'000	Lease liabilities RM'000	Total RM'000
At 1 January 2025	8,463,789	4,589,012	13,052,801
Drawdown	2,027,807	-	2,027,807
Payment - principal	(823,566)	(1,221,721)	(2,045,287)
Payment - interest	(332,969)	(201,230)	(534,199)
Non-cash changes:			
Other changes	4,050	775,283	779,333
Interest expenses	372,411	201,230	573,641
At 31 December 2025	9,711,522	4,142,574	13,854,096
At 1 January 2024	7,642,631	5,354,328	12,996,959
Drawdown	2,972,913	-	2,972,913
Payment - principal	(2,163,334)	(1,057,093)	(3,220,427)
Payment - interest	(354,052)	(240,272)	(594,324)
Non-cash changes:			
Other changes	19,859	291,777	311,636
Interest expenses	345,772	240,272	586,044
At 31 December 2024	8,463,789	4,589,012	13,052,801

23. LOANS AND BORROWINGS (CONTINUED)

Reconciliation of liabilities arising from financing activities (continued)

Company	Interest bearing loans and borrowings RM'000
At 1 January 2025	2,825,735
Payment – Interest	(114,207)
Non-cash changes:	
Interest expenses	115,514
At 31 December 2025	2,827,042
At 1 January 2024	2,821,930
Payment – Interest	(119,930)
Non-cash changes:	
Interest expenses	125,844
Other changes	(2,109)
At 31 December 2024	2,825,735

Included in the other changes are unamortised transaction costs and accrued interest.

Fair value

The carrying amounts and fair value of the fixed-rate borrowings are as follows:

	Carrying amount		Fair value	
Group	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Borrowings	4,886,182	4,596,229	4,921,915	4,654,330

Notes to the Financial Statements

31 December 2025

24. DEFERRED TAX LIABILITIES/(ASSETS)

Group	2025 RM'000	2024 RM'000
At 1 January	1,076,240	1,248,428
Recognised in profit and loss (Note 8)	(131,097)	(172,188)
At 31 December	945,143	1,076,240
Presented after appropriate offsetting as follows:		
Deferred tax assets	(186,211)	(122,363)
Deferred tax liabilities	1,131,354	1,198,603
	945,143	1,076,240

The components and movements of recognised deferred tax assets and liabilities of the Group during the financial year prior to offsetting are as follows:

Deferred tax assets:

	At 1.1.2024 RM'000	Recognised in profit or loss RM'000	At 31.12.2024/ 1.1.2025 RM'000	Recognised in profit or loss RM'000	At 31.12.2025 RM'000
Contract liabilities	(132,752)	(22,179)	(154,931)	(44,457)	(199,388)
Lease liabilities	(1,200,289)	164,735	(1,035,554)	221,516	(814,038)
Receivables	(50,776)	(66,978)	(117,754)	(48,266)	(166,020)
Trade and other payables	(106,249)	(157,484)	(263,733)	(38,285)	(302,018)
Others	(56,061)	(19,488)	(75,549)	(33,219)	(108,768)
	(1,546,127)	(101,394)	(1,647,521)	57,289	(1,590,232)

Others relate to deferred tax assets mainly arising from deductible temporary differences on provision for stock obsolescence and provision for site decommissioning and restoration costs.

Notes to the Financial Statements

31 December 2025

24. DEFERRED TAX LIABILITIES/(ASSETS) (CONTINUED)

Deferred tax liabilities:

	At 1.1.2024 RM'000	Recognised in profit or loss RM'000	At 31.12.2024/ 1.1.2025 RM'000	Recognised in profit or loss RM'000	At 31.12.2025 RM'000
Contract costs	22,265	12,164	34,429	12,708	47,137
Contract assets	96,754	16,143	112,897	10,706	123,603
Property, plant and equipment and intangible assets	1,128,897	215,451	1,344,348	316,095	1,660,443
Right of use assets	1,546,639	(314,552)	1,232,087	(527,895)	704,192
	2,794,555	(70,794)	2,723,761	(188,386)	2,535,375

Deferred tax assets have not been recognised by certain subsidiaries in respect of the following items:

	Group	
	2025 RM'000	2024 RM'000
Unused tax losses	146,928	146,928
Unabsorbed capital allowances	58,701	58,701
	205,629	205,629

Deferred tax assets have not been recognised in respect of the items above as it is not probable that future taxable profits will be available against which the items above can be utilised.

The Malaysia Finance Act 2018 gazetted on 27 December 2018 imposed a time limitation to restrict the carry forward of the unused tax losses to a maximum period of 7 consecutive Year of Assessment ("YA"), effective YA 2019. Based on the latest Malaysia Finance Act 2021, gazetted on 31 December 2021, the time limit for the carry forward of the unused tax losses has been extended from 7 years to 10 years. As a result of this change, the unused tax losses accumulated up to the YA 2018 are allowed to be carried forward for 10 consecutive years of assessment (i.e. from YA 2019 to 2028). Any balance of the unused tax losses thereafter shall be disregarded.

Global Minimum Top-Up Tax

The Group is within the scope of the Organisation for Economic Co-operation and Development ("OECD") Pillar Two Global Anti-Base Erosion (GloBE) Rules as the consolidated revenue of the Group exceeds €750 million.

Legislation implementing the Pillar Two rules has been enacted in certain jurisdictions in which the Group operates, including Malaysia and Singapore, and will be effective for financial years beginning on or after 1 January 2025.

Based on the preliminary assessment performed to date, the Group concluded that no provision for additional top-up tax was required for the financial year ended 31 December 2025.

Notes to the Financial Statements

31 December 2025

25. PROVISIONS

	Group	
	2025 RM'000	2024 RM'000
Non-current	327,669	326,293
Current	40,609	60,236
	368,278	386,529

25.1 Provisions

Group	Note	Site decommissioning and restoration costs RM'000	Defined benefit plan RM'000 (Note 25.1.1)	Total RM'000
Current and Non-current				
At 1 January 2025		386,446	83	386,529
Capitalised as property, plant and equipment	11(a)	23,576	-	23,576
Unwinding of discount	6	11,193	-	11,193
Additional provision	7(a)	-	37	37
Reversal provision		(38,701)	-	(38,701)
Paid during the financial year		(14,352)	(4)	(14,356)
At 31 December 2025		368,162	116	368,278
Current and Non-current				
At 1 January 2024		389,163	61	389,224
Capitalised as property, plant and equipment	11(a)	12,755	-	12,755
Unwinding of discount	6	16,291	-	16,291
Additional provision	7(a)	-	310	310
Paid during the financial year		(31,763)	(288)	(32,051)
At 31 December 2024		386,446	83	386,529

25. PROVISIONS (CONTINUED)

25.1 Provision (continued)

25.1.1 DEFINED BENEFIT PLAN

The Group operates an unfunded defined benefit plan for its eligible employees. The estimated obligations under the retirement benefit scheme are determined based on actuarial valuation by a qualified independent actuary.

The amount recognised in the consolidated statement of financial position is determined as follows:

		Group	
	Note	2025 RM'000	2024 RM'000
Present value of unfunded obligations	25.1	116	83

The amount recognised in profit and loss, included under staff expenses, is as follows:

		Group	
	Note	2025 RM'000	2024 RM'000
Interest on obligations, representing increase in provision for defined benefit plan	7(a)	37	310

The principal actuarial assumption used in determining the retirement benefit obligation for the defined benefit plan, is as follows:

	Group	
	2025 %	2024 %
Rate per annum:		
- Discount rate	5	5

Assumption regarding future mortality are based on published statistics and mortality table.

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26. TRADE AND OTHER PAYABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Other payables	-	3,650	-	-
Current				
Trade payables	556,546	616,989	-	-
Other payables	1,381,382	1,033,410	10	10
Accruals	2,410,624	2,605,903	211	908
Customer deposits	45,587	39,023	-	-
Amount owing to subsidiaries	-	-	35,915	18,441
	4,394,139	4,295,325	36,136	19,359
Total trade and other payables	4,394,139	4,298,975	36,136	19,359

The Group's trade and other payables are non-interest bearing and are subject to normal credit terms ranging from 30 to 60 days (2024: 30 to 60 days). Other payables comprise payables to non-trade related vendors. Accruals include mainly accruals for non-trade related vendors and accruals for regulatory charges.

At 31 December 2025, the Group's trade and other payables balances included exposure to foreign currency denominated in USD, Singapore Dollar ("SGD"), SDR and Norwegian Krone ("NOK") amounting to RM38.4 million (2024: RM66.9 million), RM3.3 million (2024: RM11.4 million), RM66.7 million (2024: RM56.3 million) and RM nil (2024: RM1.4 million) respectively.

Amount owing to subsidiaries is unsecured, interest bearing and repayable on demand.

27. OTHER LIABILITIES

	Group	
	2025 RM'000	2024 RM'000
Other liabilities	159,404	-

Other liabilities are payables for goods under extended payment schemes which the supplier have assigned the invoices due from the Group to their bank. The Group pays the bank on the bill maturity date with a tenor of 148 days from invoice dates. The payables are unsecured. These other liabilities carry interests at annual rate of 3.93% as at the reporting date.

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28. SHARE CAPITAL

	Group/Company			
	Number of ordinary shares		Amount	
	2025 Units ('000)	2024 Units ('000)	2025 RM'000	2024 RM'000
Issued and fully paid				
As at 1 January / 31 December	11,731,508	11,731,508	16,595,687	16,595,687

There is no par value for the ordinary shares. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

29. RESERVES

		Group	
	Note	2025 RM'000	2024 RM'000
Share-based payment reserve	29.1	9,002	5,576
Foreign currency translation reserve	29.2	(153)	(153)
Fair value reserve of financial asset at FVOCI	29.3	(78)	(78)

29.1 Share-based payment reserve

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to key management personnel, as part of their remuneration.

On 17 August 2023, the Group announced the establishment of an ESGP of up to 0.5% of the total number of issued ordinary shares in CelcomDigi Berhad (excluding treasury shares, if any) at any point in time during the duration of the share grant plan of 10 years, commencing from 17 August 2023, for the eligible selected employees who hold senior management position in the Group (excluding subsidiaries which are dormant) ("Eligible Senior Executives").

There are 3 tranches of ESGP granted by the Group to the Eligible Senior Executives on 1 September 2023, 1 April 2024 and 2 April 2025 respectively, the number of ordinary shares of the Company that will vest on 1 July 2026, 1 April 2027 and 1 April 2028 ("Vesting Date") respectively will be determined in accordance with and subject to the satisfaction of the performance targets of the Group over the three years period from the year of grant.

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29. RESERVES (CONTINUED)

29.1 Share-based payment reserve (continued)

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, ESGP during the financial year:

	Number '000	WAEP RM
Outstanding at 1 January 2025	3,539	4.32
Granted during the financial year	2,683	3.49
Forfeited during the financial year	(1,809)	4.03
Outstanding at 31 December 2025	4,413	3.93

The weighted average fair value of ESGP granted during the financial year was RM3.49.

The weighted average remaining contractual life for the tranche 1, 2 and 3 of ESGP outstanding as at 31 December 2025 was 0.5 years, 1.25 years and 2.25 years.

29.2 Foreign currency translation reserve

The foreign currency translation reserve represents the foreign translation differences arising from the translation of the financial statements of a foreign operation whose functional currency is different from the Group's presentation currency.

29.3 Fair value reserve of financial asset at FVOCI

This represents non-distributable reserve arising from cumulative fair value changes, net of tax, of financial assets at FVOCI until they are disposed of.

30. COMMITMENTS

Capital commitments:

	Group	
	2025 RM'000	2024 RM'000
Capital expenditure in respect of property, plant and equipment and intangible assets:		
Approved and contracted for	536,160	893,660

Notes to the Financial Statements

31 December 2025

31. SIGNIFICANT RELATED PARTY DISCLOSURES

31.1 Sales and purchases of services

Related party relationships are as follows:

(i) Axiata Group Berhad ("Axiata") and Telenor ASA who are the shareholders of the Company;
(ii) Companies within the Axiata and its subsidiaries ("Axiata Group") and Telenor ASA and its subsidiaries ("Telenor Group");
(iii) Associate and joint venture; and
(iv) The Company's subsidiaries are as disclosed in Note 15.

Significant transactions and balances with related parties of the Group during the financial year are as follows:

	Transactions	
Group	2025 RM'000	2024 RM'000
Transactions with Axiata Group		
Sale of goods and services:		
- Commission fees income on content related services	-	2,044
- International SMS Services	-	1,905
- Information Technology ("IT") related services fee	52	1,316
- Managed services including marketing collection related services	3,672	1,162
- Provision of telecommunication services	430	482
- Site infrastructure lease income	5,285	5,442
- Sales of international roaming services and interconnection services on international traffic	215	804
	9,654	13,155
Purchase of goods and services:		
- Commission fees expense on content related services	-	2,880
- Fees payable for licenses and trademarks	-	2,816
- Information Technology ("IT") related services fee	59,411	40,920
- Infrastructure leasing and related services	586,857	618,743
- Lease expense of bandwidth leasing	1,384	782
- Managed services including marketing collection related services	678	6,679
- Purchases of international roaming services and interconnection services on international traffic	388	15,811
- Universal Service Provision Projects	30,601	1,242
	679,319	689,873

Notes to the Financial Statements

31 December 2025

31. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

31.1 Sales and purchases of services (continued)

Significant transactions and balances with related parties of the Group during the financial year are as follows (continued):

	Transactions	
Group	2025 RM'000	2024 RM'000
Transactions with Telenor Group		
Sale of goods and services:		
- Lease income from bandwidth leasing	-	6,688
- Sales of international roaming services and interconnection services on international traffic	318	3,241
	318	9,929
Purchase of goods and services:		
- Business security strategy execution received	-	7,789
- Clearing house services received for international roaming arrangements	2,078	2,309
- Fees payable for licenses and trademarks	-	2,772
- Information Technology ("IT") related services fee	263	231
- Lease expenses of bandwidth leasing	3,641	3,983
- Managed services received	44,800	81,031
- Purchases of global connectivity	691	1,291
- Purchases of international roaming services and interconnection services on international traffic	3,420	10,344
- Purchases of IP transit	284	370
- Services received on application operations and basic operation for data centre	998	3,922
- Services received on digital marketing and distribution platform	5,091	6,482
	61,266	120,524
Transactions with Associates		
Sale of goods and services:		
- Lease income from bandwidth leasing	4,399	-
- Site infrastructure and lease income	6,811	7,868
	11,210	7,868
Purchase of goods and services:		
- Provision of 5G access service	248,468	113,746
- Infrastructure leasing and related services	-	64,323
- Lease expense of bandwidth leasing	-	36,356
	248,468	214,425

Notes to the Financial Statements

31 December 2025

31. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

31.1 Sales and purchases of services (continued)

Significant transactions and balances with related parties of the Group during the financial year are as follows (continued):

	Transactions	
Group	2025 RM'000	2024 RM'000
Transactions with Joint Venture		
Sale of goods and services:		
- Mobile virtual network operator ("MVNO") income	199,324	203,207

	Balances	
	2025 RM'000	2024 RM'000
Receivables from		
- Axiata Group	20,797	4,387
- Telenor Group	1,373	-
- Joint Venture	35,522	18,309
- Associate	13,270	-
	70,962	22,696
Payables to		
- Axiata Group	242,540	113,961
- Telenor Group	57	33,380
- Associate	43,878	90,295
	286,475	237,636

Amounts due from/(to) related companies which are trade in nature are unsecured, non-interest bearing and are subject to the normal credit terms for trade receivables and trade payables, respectively.

The directors are of the opinion that the above transactions are entered into in the normal course of business and at standard commercial terms mutually agreed between both parties.

Notes to the Financial Statements

31 December 2025

31. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

31.2 Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company, directly and indirectly, including directors of the Group and of the Company.

The remuneration of key management personnel during the financial year was as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Short term employee benefits	42,068	35,540	2,165	2,241
Post-employment benefits	3,635	4,640	-	-
	45,703	40,180	2,165	2,241

Included in remuneration of key management personnel above are non-executive directors' remuneration as disclosed in Note 7(b).

32. FINANCIAL INSTRUMENTS

32.1 Financial risk management objectives and policies

In the normal course of conducting its business activities, the Group is exposed to a variety of financial risks, which include credit, foreign currency, liquidity and interest rate risks. The Group's overall risk management programme seeks to minimise potential adverse effects of these risks on the financial performance of the Group.

32.2 Credit risk

Credit risk is the risk of loss that may arise if a counterparty default on its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk arises in the normal course of operations (primarily from trade and other receivables, deposits and contract assets) and from its financing activities, including deposits with approved financial institutions. The maximum credit risk exposure is limited to the carrying amount of each financial asset and contract assets less allowance for impairment.

Trade receivables, other receivables, deposits and contract assets

The credit risk is managed through formalised policies on credit assessment and approvals, credit limits and monitoring procedures. Credit quality of each new customer is assessed based on an internally developed credit scoring model using information such as external ratings and credit agency information. Individual risk limits are set in accordance to the risk profile established for each customer, and are reviewed periodically.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., customer type and rating). The calculation reflects the probability-weighted outcome, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group evaluates the concentration of risk with respect to trade receivables, other receivables, deposits and contract assets as low, as its customers base is large and diverse.

Notes to the Financial Statements

31 December 2025

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.2 Credit risk (continued)

Trade receivables, other receivables, deposits and contract assets (continued)

Trade receivables, other receivables, deposits and contract assets are written off when there is no reasonable expectation of recovery and are not subject to enforcement activity. They are not secured by any collateral or credit enhancements.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using the simplified approach:

As at 31 December 2025	Gross carrying amount RM'000	Expected credit losses RM'000	Net carrying amount RM'000
Trade receivables			
- Not past due	2,229,175	(101,510)	2,127,665
- 1 to 30 days past due	151,886	(44,190)	107,696
- 31 to 60 days past due	67,593	(25,016)	42,577
- 61 to 90 days past due	79,982	(22,851)	57,131
- More than 91 days past due	486,837	(360,761)	126,076
	3,015,473	(554,328)	2,461,145
Contract assets			
- Not past due	583,849	(24,118)	559,731
Total trade receivables and contract assets	3,599,322	(578,446)	3,020,876
As at 31 December 2024			
Trade receivables			
- Not past due	1,978,869	(60,836)	1,918,033
- 1 to 30 days past due	108,550	(10,577)	97,973
- 31 to 60 days past due	53,168	(10,771)	42,397
- 61 to 90 days past due	59,629	(14,429)	45,200
- More than 91 days past due	349,287	(276,691)	72,596
	2,549,503	(373,304)	2,176,199
Contract assets			
- Not past due	516,536	(18,694)	497,842
Total trade receivables and contract assets	3,066,039	(391,998)	2,674,041

Notes to the Financial Statements

31 December 2025

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.2 Credit risk (continued)

Trade receivables, other receivables, deposits and contract assets (continued)

Other receivables and deposits using the general 3-stage approach

The following table contains an analysis of the credit risk exposure of other receivables and deposits for which an ECL allowance is recognised using the general 3-stage approach. The gross carrying amount disclosed below also represents the Group's maximum exposure to credit risk on these assets:

31 December 2025	Basis for recognition of expected credit loss	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of impairment) RM'000
Group				
Performing	12-month ECL	566,926	-	566,926
Underperforming	Lifetime ECL	372,575	(64,191)	308,384
Non-performing	Lifetime ECL	506,632	(506,632)	-
		1,446,133	(570,823)	875,310
31 December 2024				
Group				
Performing	12-month ECL	482,962	-	482,962
Underperforming	Lifetime ECL	356,666	(62,249)	294,417
Non-performing	Lifetime ECL	505,543	(505,543)	-
		1,345,171	(567,792)	777,379

Notes to the Financial Statements

31 December 2025

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.2 Credit risk (continued)

Trade receivables, other receivables, deposits and contract assets (continued)

Set out below is the movement in allowance for expected credit losses for trade receivables, other receivables, deposits and contract assets:

	Note	Trade receivables RM'000	Other receivables RM'000	Contract assets RM'000	Deposits RM'000	Total RM'000
At 1 January 2025		373,304	387,369	18,694	180,423	959,790
Allowance for expected credit losses for the financial year	7	350,136	5,818	5,424	1,600	362,978
Write-offs		(169,112)	(3,697)	-	(690)	(173,499)
At 31 December 2025		554,328	389,490	24,118	181,333	1,149,269
At 1 January 2024		210,935	405,069	12,036	184,090	812,130
Allowance for/(Reversal of) expected credit losses for the financial year	7	173,759	(17,700)	6,658	(3,667)	159,050
Write-offs		(11,390)	-	-	-	(11,390)
At 31 December 2024		373,304	387,369	18,694	180,423	959,790

Cash and short-term deposits

The Group's credit risk also arises from cash and short-term deposits. The credit risk is managed through monitoring procedures.

32.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk as a result of transactions denominated in currencies other than its functional currency, arising from the normal business activities. The currencies giving rise to this risk are primarily the USD, SDR and NOK. Although approximately 4% (2024: 4%) of the Group's total expenses are denominated in the above-mentioned foreign currencies, the settlements of these payables are on a net basis through clearing house services, together with revenues earned from the same operators and partners. The Group also holds cash and cash equivalents denominated in USD for working capital purposes. The Group's foreign-denominated cash and cash equivalents at the reporting date is disclosed in Note 22.

Exposure to foreign currency risk is monitored on an on-going basis and when considered necessary, the Group will consider using effective financial instruments to hedge its foreign currency risk in accordance with its foreign currency hedging policy. In line with the Group's foreign currency hedging policy, hedging is only considered for firm commitments and highly probable transactions of which hedging shall not exceed 100% of the net exposure value. Speculative activities are strictly prohibited. The Group adopts a layered approach to hedging, where a higher percentage of hedging will be executed for closer-dated exposures and with time, increase the hedge as the probability of the underlying exposure increases. These derivatives and their underlying exposures will be monitored on an on-going basis. However, these contracts are not designated as cash flow or fair value hedge.

Notes to the Financial Statements

31 December 2025

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.3 Foreign currency risk (continued)

The Group's foreign currency forward contracts are executed only with creditworthy financial institutions in Malaysia which are governed by appropriate policies and procedures.

Management believes that there is no reasonably possible fluctuation in the foreign exchange rate which would cause any material effect to the Group's profit for the financial year.

32.4 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. In the management of liquidity risk, the Group and the Company monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and where required, mitigate the effects of fluctuation in cash flows.

The Group's and the Company's trade and other payables and non-hedging derivative liabilities at the reporting date, are short-term in nature, and are payable either on demand or within one financial year. Details of maturities for the Group's loans and borrowings are as disclosed in Note 23.

As at 31 December 2025, the Group's current liabilities exceeded its current assets by RM3,709.8 million. Total current liabilities of the Group include RM4,394.1 million of trade and other payables and RM3,183.0 million of loans and borrowings.

The Group have undrawn facilities amounting to RM5,150.0 million available to meet liquidity requirements. The undrawn facilities include Sukuk as disclosed in Note 23 to the financial statements, certain subsidiaries of the Group has outstanding undrawn amounts under CDTSB Sukuk and Celcom Sukuk amounting to RM950.0 million and RM4,200.0 million respectively. Any issuance of new Sukuk will be subject to market conditions such as market liquidity and market lending rates at the point of issuance. The Group is confident that it will be able to successfully issue the outstanding amounts, if needed, in the next twelve (12) months from the date of the financial statements.

The Group's net cash flow generated from operating activities for the financial year ended 31 December 2025 was RM4,418.6 million (2024: RM4,027.7 million). In addition, the Group's cash and short-term deposits as at 31 December 2025 was RM933.7 million (2024: RM237.3 million).

The Group's twelve (12) months cash flow forecasts have been prepared taking into account expected revenue growth and past performance. Based on these cash flow forecasts and available undrawn facilities, the Group is able to generate sufficient cash flows for the next twelve (12) months from the date of the financial statements to meet operational and financing needs including capital commitments set out in Note 30 as and when they fall due in the next twelve (12) months from the date of the financial statements.

As at 31 December 2025, the Company's current liabilities exceeded its current assets by RM7.1 million. Total current liabilities of the Company includes RM36.1 million owed to wholly-owned subsidiaries. These amounts have no fixed terms of repayment and are non-interest bearing.

The Company and its subsidiaries manage its liquidity risk on a collective basis via the Company's central treasury function. The amounts due to subsidiaries are repaid when the Company has sufficient liquidity and that such repayments will not adversely affect the ability of the Company to carry on its business operations as a going concern.

As at 31 December 2025, the Group and the Company had sufficient liquidity and available facilities to meet its obligations as and when they fall due within twelve (12) months from the date of the financial statements.

Notes to the Financial Statements

31 December 2025

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.4 Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

Group	On demand or within one year RM'000	One to two years RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
2025					
Financial liabilities					
Trade and other payables	4,394,139	-	-	-	4,394,139
Loans and borrowings	2,171,825	2,944,438	4,895,151	775,478	10,786,892
Lease liabilities	1,129,294	1,006,647	1,579,179	1,341,162	5,056,282
Other liabilities	161,944	-	-	-	161,944
Total undiscounted financial liabilities	7,857,202	3,951,085	6,474,330	2,116,640	20,399,257
2024					
Financial liabilities					
Trade and other payables	4,298,975	-	-	-	4,298,975
Loans and borrowings	1,381,365	1,754,500	4,792,447	1,815,345	9,743,657
Lease liabilities	1,053,114	1,052,289	1,923,132	1,612,855	5,641,390
Total undiscounted financial liabilities	6,733,454	2,806,789	6,715,579	3,428,200	19,684,022

Notes to the Financial Statements

31 December 2025

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.4 Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations (continued).

Company	On demand or within one year RM'000	One to two years RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
2025					
Financial liabilities					
Other payables and accruals	221	-	-	-	221
Amount owing to subsidiaries	35,915	-	-	-	35,915
Loan and borrowings	123,345	649,716	920,485	2,065,222	3,758,768
Total undiscounted financial liabilities	159,481	649,716	920,485	2,065,222	3,794,904
2024					
Financial liabilities					
Other payables and accruals	918	-	-	-	918
Amount owing to subsidiaries	18,441	-	-	-	18,441
Loan and borrowings	123,345	466,032	1,238,024	1,896,590	3,723,991
Total undiscounted financial liabilities	142,704	466,032	1,238,024	1,896,590	3,743,350

32.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group is exposed to interest rate risk primarily from floating rate financial liabilities.

The Group manages its interest rate risk by having a mixed portfolio of fixed and floating rate financial liabilities that is consistent with the interest rates profiles acceptable to the Group. To manage this, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, a fixed interest rate for floating rates.

The notional principal amounts of the outstanding interest rate swaps and its fair value are disclosed in Note 21.1.

The Group's policy in dealing with interest-bearing financial liabilities is to minimise the interest expense by obtaining the most favourable interest rates available. A difference of 20 (2024: 20) basis points in interest rates applicable for the Group's entire loans and borrowings (excluding lease liabilities) would result in approximately 0.94% (2024: 1.21%) variance in the Group's profit for the financial year.

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.6 Fair values

The management assessed that the fair values of cash and short-term deposits, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments and the insignificant impact of discounting.

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(a) Loans and borrowings

The carrying amounts of floating-rate loans and borrowings are reasonable approximations of fair values as they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The fair values of fixed-rate loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of borrowing, debt instruments or leasing arrangements at the reporting date.

(b) Derivative financial instruments

The fair value of foreign currency forward contracts is determined using quoted forward exchange rates at the reporting date.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

(c) Other investment

Investment in equity instrument represents ordinary shares not quoted on any market and does not have any comparable industry peers that is listed. The investment in unquoted equity instrument is not held for trading.

The initial acquisition cost of the unquoted equity investment is an approximate estimate of its fair value as the investee's entity is in the start-up stage.

Notes to the Financial Statements

31 December 2025

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.7 Classification

The carrying amounts of financial instruments under each category, are as follows:

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Financial assets					
Financial assets at amortised cost:					
- Trade receivables	20	2,461,145	2,176,199	-	-
- Other receivables	20	630,094	536,664	-	-
- Deposits	20	245,216	240,715	5	5
- Cash and short-term deposits	22	933,726	237,321	29,215	136
		4,270,181	3,190,899	29,220	141
Financial assets at fair value through profit or loss:					
Derivative financial assets					
- Trading securities	18	27	27	-	-
- Interest rate swaps	21	4,719	2,587	-	-
		4,746	2,614	-	-

Notes to the Financial Statements

31 December 2025

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.7 Classification (continued)

The carrying amounts of financial instruments under each category, are as follows (continued):

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial liabilities					
Other financial liabilities:					
- Banker's acceptance	23	19,905	14,811	-	-
- Floating-rate term loans	23	398,494	99,825	-	-
- Sukuk	23	4,886,182	4,596,229	-	-
- Floating-rate term financing-i	23	3,686,541	3,233,265	-	-
- Fixed-rate term financing	23	-	233	-	-
- Floating-rate revolving credit	23	5,000	60,473	-	-
- Floating-rate revolving credit-i	23	700,000	450,000	-	-
- Other financing arrangement	23	15,400	8,953	-	-
- Loan from a subsidiary	23	-	-	2,827,042	2,825,735
- Lease liabilities	23	4,142,574	4,589,012	-	-
- Trade payables	26	556,546	616,989	-	-
- Other payables		698,982	932,329	10	10
- Accruals		1,787,487	1,805,445	211	908
- Customer deposits	26	45,587	39,023	-	-
- Amount owing to subsidiaries	26	-	-	35,915	18,441
- Other liabilities	27	159,404	-	-	-
		17,102,102	16,446,587	2,863,178	2,845,094

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.8 Fair value measurement

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for financial assets as at 31 December 2025:

				Fair value measuring using		
	Note	Date of valuation	Total RM'000	Quoted prices in active markets (Level 1) RM'000	Significant observable Inputs (Level 2) RM'000	Significant unobservable Inputs (Level 3) RM'000
Financial assets measured at fair value:						
Derivative financial assets:						
- Interest rate swaps	21	31 December 2025	4,719	-	4,719	-
- Trading securities	18	31 December 2025	27	27	-	-

Quantitative disclosures fair value measurement hierarchy for financial assets as at 31 December 2024:

				Fair value measuring using		
	Note	Date of valuation	Total RM'000	Quoted prices in active markets (Level 1) RM'000	Significant observable Inputs (Level 2) RM'000	Significant unobservable Inputs (Level 3) RM'000
Financial assets measured at fair value:						
Derivative financial assets:						
- Interest rate swaps	21	31 December 2024	2,587	-	2,587	-
- Trading securities	18	31 December 2024	27	27	-	-

There have been no transfers between Level 2 and Level 3 in the current financial year and prior financial year.

The fair value of unquoted equity investment is categorised as Level 3 as cost was estimated to be an appropriate measure of fair value. There was no indicators that cost might not be representative of fair value.

32. FINANCIAL INSTRUMENTS (CONTINUED)

32.9 Offsetting financial assets and financial liabilities

Group

The following financial assets and liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements.

	Gross amounts recognised RM'000	Financial assets/ financial liabilities set-off in the statement of financial position RM'000	Net amounts presented in the statement of financial position RM'000
Financial assets			
At 31 December 2025			
Trade receivables			
- Interconnect and roaming	206,452	(37,229)	169,223
At 31 December 2024			
Trade receivables			
- Interconnect and roaming	128,445	(17,941)	110,504
Financial liabilities			
At 31 December 2025			
Trade payables			
- Interconnect and roaming	(163,085)	37,229	(125,856)
At 31 December 2024			
Trade payables			
- Interconnect and roaming	(98,738)	17,941	(80,797)

Notes to the Financial Statements

31 December 2025

33. CAPITAL MANAGEMENT

The essence of the Group's capital management strategy is to support its long-term strategic ambitions including:

(i) its commitment to long-term sustainable dividend policy;
(ii) its financial obligations while maintaining its financial flexibility; and
(iii) its ability to support its business requirements and enable future growth.

Going-forward, the Group will continue to actively manage its capital structure to enhance shareholders' value and make adjustments to address changes in the economic environment and its business risk characteristics.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratios. This ratio is calculated as total debts over total equity. Total debts including non-current, current borrowings and lease liabilities as shown in the consolidated statement of financial position. Total equity is calculated as 'equity' in the consolidated statement of financial position.

The gearing ratios were as follows:

Group	2025 RM'000	2024 RM'000
Total borrowings (Note 23)	13,854,096	13,052,801
Less: Cash and short-term deposits (Note 22)	(933,726)	(237,321)
Net debt	12,920,370	12,815,480
Total equity	15,978,787	16,190,074
Gearing ratio	0.8	0.8

The Group had during the financial year ended 31 December 2009, revised its minimum dividend pay-out policy to at least 80% of the Company's profit for the financial year, and dividend payment frequency. The dividend policy will be maintained subject to on-going assessment, and based on the availability of distributable reserves as well as the Group's future cash flow requirements and market conditions. These revisions and any other revision to its allocation of capital resources are subject to the approval of the board of directors. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2025.

34. SEGMENTAL INFORMATION

Segmental information is not presented as the Group is primarily engaged in the provision of mobile communication services and its related products in Malaysia.

35. SIGNIFICANT EVENT SUBSEQUENT TO FINANCIAL YEAR END

On 6 March 2026, the Group has made payment of RM327,872,640.28 pursuant to the terms of the Put Notice, including RM161,172,639.95 of the Group's proportionate share of the MoF Loan together with accrued interest and additional shareholder advance. The proportionate number of shares owned by MoF Inc. will be registered in the name of the Group pursuant to the terms of the Shareholders' Agreement.

36. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 18 March 2026.

INDEPENDENT AUDITORS' REPORT

to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of CelcomDigi Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 152 to 239.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Independent Auditors' Report

to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition from contracts with customers *Refer to Note 2.19.1 – Summary of material accounting policies – Revenue recognition – Revenue from contracts with customers, Note 4.4 – Significant accounting estimates and judgements and key sources of estimation uncertainty – Revenue recognition – determining stand-alone selling price and Note 5 – Revenue* The Group's revenue from contracts with customers of RM12.7 billion during the financial year ended 31 December 2025 comprised primarily of telecommunication revenue and sales of devices of RM10.8 billion and RM1.9 billion respectively. We focused on this area because there is an inherent risk around the accuracy of revenue recorded given the complexity of systems and the impact of various pricing models for different revenue products to revenue recognition. Revenue processed by billing systems is complex and involves large volumes of data with different products and services sold, and price changes. In addition, management identified that determination of stand-alone selling price involves significant judgement as it will directly determine the amount of revenue to be recognised upfront and amount of revenue to be recognised over time.	We performed the following audit procedures: • Evaluated and tested the IT general controls and key controls on material revenue streams over: a) capturing and recording of revenue transactions; b) authorisation of rate changes and the input of this information to the billing systems; and c) accuracy of calculation of amounts billed to customers; • Assessed the accounting treatment for significant new products and promotions launched with multiple element arrangements and tested that they are appropriately incorporated in the billing systems; • Checked reconciliation of revenue amount from billing systems to accounting systems; • Checked stand-alone selling prices and allocation of the consideration specified on contracts for separate performance obligations to published selling prices used by the Group on their sale of products and services or available market prices; and • Performed test of details on revenue recognised to supporting evidence such as customer contracts, invoices and relevant supporting documents on a sampling basis. Based on the procedures performed above, we did not find any material exceptions in the revenue recognised during the financial year.

Independent Auditors' Report

to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill and other indefinite useful lives assets *Refer to Note 2.6 – Summary of material accounting policies – Intangible assets, Note 4.1 – Significant accounting estimates and judgements and key sources of estimation uncertainty – Impairment assessment of goodwill and other indefinite useful lives assets and Note 12 – Intangible assets* As at 31 December 2025, the Group's goodwill and other indefinite useful lives assets of RM17.7 billion were allocated to the entire telecommunication cash generating unit ("CGU"). The Group is required to test goodwill and other indefinite useful lives assets for impairment annually. Management's assessments of the recoverable amounts involved significant estimates and assumptions about revenue growth rates, discount rate and terminal growth rate. These estimates and assumptions are inherently uncertain. Based on the assessments performed, the recoverable amount has exceeded the carrying amount of the CGU as at 31 December 2025. Thus, impairment is not required. We focused on the above as the assumptions made by the Group in determining the recoverable amounts are inherently uncertain, require significant estimates and judgements.	We performed the following audit procedures: • Evaluated the reasonableness of director's assessment that the entire telecommunications CGU is the CGU which represents the smallest identifiable group of assets that generate independent cash inflows, by understanding the business model of the Group; • Agreed the five-year value in use ("VIU") cash flows used for impairment assessment to the financial budgets covering a three years period from 2026 to 2028, including assumption on capital expenditures and operating expenditures, approved by the directors and an additional 2 years projection by management; • Compared the historical forecast for 2025 to actual results to assess the reliability of management's estimates; • Compared the revenue growth rates in the projection periods to telecommunications industry forecasts; • Discussed with management on the total capital expenditures and operating expenditures costs required to maintain the network performance of the Group; • Checked the mathematical accuracy of the five-year VIU cash flows; • Checked the reasonableness of the discount rate and terminal growth rate with the assistance of our valuation experts by benchmarking to industry report; and • Checked the sensitivity analysis performed by management on the revenue growth rates, discount rate and terminal growth rate. Based on the procedures performed above, we did not find material exceptions on the Group's impairment assessment of goodwill and other indefinite useful lives assets as at 31 December 2025.

We have determined that there are no key audit matters to report for the Company.

Independent Auditors' Report

to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, Statement of Risk Management and Internal Control and other sections in the 2025 Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company 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 of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company'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 the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing 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 approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, 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.

Independent Auditors' Report

to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

(b) 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 Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

(d) Conclude on the appropriateness of the directors' 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 Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company 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 auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) 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 Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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 the directors 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 the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' 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.

Independent Auditors' Report

to the members of CelcomDigi Berhad (Incorporated in Malaysia)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

SOO KWAI FONG
03144/07/2027 J
Chartered Accountant

Kuala Lumpur
18 March 2026

INDEPENDENT ASSURANCE REPORT

Independent Practitioner's Limited Assurance Report to the Board of Directors of CelcomDigi Berhad on the selected sustainability information disclosed in the 2025 Integrated Annual Report

LIMITED ASSURANCE REPORT ON SELECTED SUSTAINABILITY INFORMATION

We have conducted a limited assurance engagement on the selected sustainability information as defined below, of CelcomDigi Berhad ("the Company"), identified by the symbol "Ⓐ", in the "International Sustainability Standards Board ("ISSB") Sustainability Statement" and "ESG Performance Data Table" sections within Section 3: Sustainability Statement of the 2025 Integrated Annual Report ("Sustainability Report") and as defined in the section below, for the year ended 31 December 2025 ("Selected Sustainability Information").

Selected Sustainability Information and Reporting Criteria

The Selected Sustainability Information needs to be read and understood together with the Reporting Criteria, which the Company is solely responsible for selecting and applying.

The Selected Sustainability Information and the Reporting Criteria subject to assurance are set out below:

Selected Sustainability Information	Reporting Criteria	2025
"ISSB Sustainability Statement" section within Section 3		
Scope 1 GHG emissions (tCO_2e)	IFRS Sustainability Disclosure Standards relevant to the preparation of the Selected Sustainability Information, as set out under the sub headers "GHG Emissions, Summary of gross GHG emissions" and "Metrics and targets (non-GHG emissions)" within Section 3 of the 2025 Integrated Annual Report.	51,043
Scope 2 GHG emissions (tCO_2e)		488,555
Total energy consumption (excluding renewable energy) (Gigajoules)		3,303,780
"ESG Performance Data Table" section within Section 3		
Lost time injury frequency rate ('LTIFR')	CelcomDigi Berhad's Sustainability Reporting Criteria in Note (b) in the "ESG Performance Data Table" section within Section 3 of the 2025 Integrated Annual Report.	0.00

LIMITED ASSURANCE CONCLUSION ON SELECTED SUSTAINABILITY INFORMATION IN THE "ISSB SUSTAINABILITY STATEMENT" SECTION WITHIN SECTION 3

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 Selected Sustainability Information in the "ISSB Sustainability Statement" section within Section 3 has not been prepared, in all material respects, in accordance with the IFRS Sustainability Disclosure Standards relevant to the preparation of the Selected Sustainability Information, which are further described in the "Selected Sustainability Information and Reporting Criteria" section above.

LIMITED ASSURANCE CONCLUSION ON SELECTED SUSTAINABILITY INFORMATION IN THE "ESG PERFORMANCE DATA TABLE" SECTION WITHIN SECTION 3

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 Selected Sustainability Information in the "ESG Performance Data Table" section within Section 3 has not been prepared, in all material respects, in accordance with the applicable criteria set out in the "Selected Sustainability Information and Reporting Criteria" section above.

Independent Assurance Report

BASIS FOR CONCLUSIONS

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" ("ISAE 3000 (Revised)") and, in respect of the Greenhouse Gas ("GHG") emissions, ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements" ("ISAE 3410").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under these standards are further described in the "Practitioner's responsibilities" section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA") and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

RESPONSIBILITIES FOR THE SELECTED SUSTAINABILITY INFORMATION

Management of the Company is responsible for:

- The preparation of the Selected Sustainability Information in accordance with the Reporting Criteria.
- The design, implementation and maintenance of such internal control as management determines is necessary to enable the preparation of the Selected Sustainability Information, in accordance with the Reporting Criteria, that is free from material misstatement, whether due to fraud or error.
- The selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Company's sustainability reporting process.

Inherent limitations in preparing the Selected Sustainability Information

Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

As described in the "Significant Judgement" sub header under the "ISSB Sustainability Statement" section within Section 3 of the 2025 Integrated Annual Report, the Company has estimated the consumption for electricity for which no primary usage data is available. Management has used actual electricity spend for the year and average electricity tariff rates to estimate the information required to be reported related to the year ended 31 December 2025. These rates are calculated based on the estimated timing and region of consumption and may differ from actual tariff rates.

Independent Assurance Report

PRACTITIONER'S RESPONSIBILITIES

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Selected Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusions. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Selected Sustainability Information.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) and ISAE 3410, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of the Company's use of Reporting Criteria as the basis for the preparation of the Selected Sustainability Information.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the Selected Sustainability Information. 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.

SUMMARY OF WORK PERFORMED

A limited assurance engagement involves performing procedures to obtain evidence about the Selected Sustainability Information. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the Selected Sustainability Information, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Selected Sustainability Information by performing inquiries of management, reviewing process flowcharts, and the underlying records;
- Performed inquiries of relevant personnel and analytical procedures on Selected Sustainability Information based on our scoping;
- Evaluated the appropriateness of quantification methods and reporting policies, and the assumptions and data for developing estimates;
- Performed substantive testing on a sampling basis on information included in the Selected Sustainability Information;
- Checked mathematical formulas, proxies and default values used in the Selected Sustainability Information against the Company's Reporting Criteria; and
- Evaluated the appropriateness of the disclosures and presentation of the Selected Sustainability Information based on the Reporting Criteria.

Our assurance procedures specifically did not extend to the remaining parts of the Sustainability Report and the information included therein other than the Selected Sustainability Information.

Independent Assurance Report

OTHER MATTERS

The comparative Selected Sustainability Information of the Company for the year ended 31 December 2024 was assured by another practitioner whose assurance report, dated 28 February 2025, expressed an unmodified conclusion. Our conclusion is not modified in respect of this matter.

RESTRICTION ON DISTRIBUTION AND USE, AND DISCLAIMER OF LIABILITY TO THIRD PARTIES AND FOR ANY OTHER PURPOSE

Our report, including our conclusion, has been prepared solely for the Board of Directors of the Company in accordance with the agreement between us dated 5 January 2026 and 13 March 2026 (the "Agreement"). We consent to the inclusion of this report in the Company's Sustainability Report which will be accessible at https://corporate.celcomdigi.com/annualreport in connection with the Company's responsibilities under paragraph 6.2(e) of Practice Note 9 of the Main Market Listing Requirements in respect of the disclosure of a statement on whether the listed issuer has sought independent assurance on the Selected Sustainability Information. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Company for our work or this report except where terms are expressly agreed between us in writing. Any reliance on this report by any third party is entirely at its own risk.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
18 March 2026

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A and Paragraph 9.41(b) of the MMLR, below are the financial data relevant for the purpose of Integrated Annual Report 2025 disclosures. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

a) Group Total Income and Total Assets

	Group (RM'000)	
	2025	**2024**
Revenue	12,957,700	12,679,398
Other Income	71,236	74,324
Interest/Finance income	18,074	12,837
Share of profit of ventures	583	23,289
Total Income	**13,047,593**	**12,789,848**
Total Assets	**36,877,565**	**36,011,518**

b) Business Activities (Shariah Non-Compliant Activities)

For the financial year ended 31 December 2025, the Group did not undertake nor record any revenue from activities deemed Shariah non-compliant. As such, there were no Shariah non-compliant business activities to be disclosed.

c) Component of Financial Position

i) Cash Component

	Group (RM)	
Islamic Account/Instruments	**2025**	**2024**
Cash and bank balances (exclude cash in hand)	6,796,236	4,895,343
Deposits with licensed bank	3,292,633	2,677,861
Total Cash	**10,088,869**	**7,573,205**

	Group (RM)	
Conventional Account/Instruments	**2025**	**2024**
Cash and bank balances (exclude cash in hand) – including petty cash	429,196,238	101,185,647
Deposits with licensed bank	494,440,412	128,562,598
Total Cash	**923,636,649**	**229,748,246**
Total Cash Component	**933,725,519**	**237,321,450**

Disclosure of Financial Data for Shariah Screening

ii) Debt Component

Islamic Financing	Group (RM) 2025	2024
Current		
Bank Borrowing	2,251,943,993	950,000,000
Non-Current		
Bank Borrowing	7,020,778,871	7,329,494,000
Total Borrowing	**9,272,722,864**	**8,279,494,000**

Conventional Financing	Group (RM) 2025	2024
Current		
Bank Borrowing	29,786,847	78,977,000
Non-Current		
Bank Borrowing	409,012,828	105,318,000
Total Borrowing	**438,799,676**	**184,295,000**
Total Debt Component	**9,711,522,540**	**8,463,789,000**

LIST OF TOP 10 PROPERTIES

No.	Location	Tenure	Description / Existing Use	Date of Acquisition	Area	Approximate Age of Buidling (Years)	Net Book Value as at 31.12.2025 RM'000
1	Lot 10, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, 40000 Shah Alam, Selangor.	Freehold	Land with a building / office	19.07.2001	284,485 sq ft	16	58,643
2	Lot 43, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, 40000 Shah Alam, Selangor.	Freehold	Land with a building / telecommunications operation centre	06.04.2008 (Title transferred date)	92,142 sq ft	12	54,699
3	Lot 74, Section 13, Jalan Kemajuan, 46200 Petaling Jaya, Selangor.	Leasehold 99 years (expiring in 2065)	Land with a building / network office	23.03.1998	47,179 sq ft	29	13,254
4	Lot 44651, Bandar Sri Manjalara, Mukim Batu, Kuala Lumpur.	Leasehold 99 years (expiring in 2077)	Land with a building, tower and cabins / network operation centre	31.12.2003	47,889 sq ft	25	9,325
5	Lot 42, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, 40000 Shah Alam, Selangor.	Freehold	Parking lot	28.04.2008 (Title transferred date)	91,676 sq ft	Not Applicable	8,234
6	Lot 44650, Off Jalan 2/2b, Bandar Sri Manjalara, Mukim Batu, Kuala Lumpur.	Leasehold 99 years (expiring in 2077)	Land with a building / network operation centre	23.05.1997	37,448 sq ft	25	5,838
7	No. 2, Jln 5/89A, Off Jalan Sekilau, Cheras, Kuala Lumpur.	Leasehold 85 years (expiring in 2085)	Land with a building / network office	23.05.1997	5,619 sq ft	26	5,645
8	H.S.(D) 12776, P.T. No. 15866, Mukim Bentong, District of Bentong, Pahang.	Leasehold 99 years (expiring in 2091)	Land with a building / earth station complex	07.08.1996	7.5 acres	28	4,564
9	Lot 3943 to 3948, Lorong Perda Utama 10, Bandar Baru Perda, Mukim 6, Seberang Perai Tengah, Pulau Pinang.	Freehold	Land with a building / network operation centre	16.10.1996	13,014 sq ft	29	4,185
10	No. 7, Section 1, Bandar Indera Mahkota Industrial Zone, Kuantan, Pahang.	Leasehold 66 years (expiring in 2058)	Land with a building / network operation centre	23.05.1997	87,145 sq ft	27	3,977

DISCLOSURE OF RECURRENT RELATED PARTY TRANSACTIONS

At the Annual General Meeting (AGM) held on 22 May 2025, the Company obtained a shareholders' mandate to allow the Group to enter into recurrent related party transactions of revenue or trading nature.

In accordance with Practice Note 12 of Main Market Listing Requirements (MMLR) of Bursa Securities, the details of recurrent related party transactions conducted during the financial year ended 31 December 2025 pursuant to the shareholders' mandate are disclosed as follows:-

CelcomDigi Group with the following related parties	CelcomDigi and/ or its subsidiary companies	Nature of transaction undertaken by/provided to CelcomDigi and/or its subsidiaries	Sales of goods and services during the financial year RM'000	Purchase of goods and services during the financial year RM'000
Telenor Group of Companies				
Telenor Group	CelcomDigi Group	International interconnect and roaming services	318	3,420
		IP Transit (Internet Upstream) services	-	284
		Clearing house services received for international roaming arrangements	-	2,078
		Global Connectivity common services	-	691
		Services rendered on Enterprise Resource Planning and enterprise applications	-	998
		Leased line / Bandwidth leasing	-	3,641
		Managed services	-	44,800
		Cloud based software infrastructure services	-	5,091
		IT related services	-	263
Total			**318**	**61,266**
Axiata Group of Companies				
Axiata Group of Companies	CelcomDigi Group	International interconnect and roaming services	215	388
		IT related services	52	59,411
		Infrastructure leasing and related services	-	586,857
		Leased line / Bandwidth leasing	-	1,384
		Provision of telecommunication services	211	-
		Managed services including marketing and collection related cost	898	678
		Site infrastructure leases	5,285	-
		Universal Service Provision Projects	-	30,601
Total			**6,661**	**679,319**

Disclosure of Recurrent Related Party Transactions

CelcomDigi Group with the following related parties	CelcomDigi and/ or its subsidiary companies	Nature of transaction undertaken by/provided to CelcomDigi and/or its subsidiaries	Sales of goods and services during the financial year RM'000	Purchase of goods and services during the financial year RM'000
Khazanah Group of Companies				
Khazanah Group	CelcomDigi Group	Cloud based software infrastructure services	30,488	-
		Leased line / bandwidth leasing services	1,971	2,144
		Infrastructure leasing and related services	-	8,095
		Provision of telecommunication services	29,666	-
		Site operating charges	-	1,310
Total			**62,125**	**11,549**
Digital Nasional Berhad (DNB)				
DNB	CelcomDigi Group	Site infrastructure lease income	6,811	-
		Leased line / bandwidth leasing services	4,399	-
		Provision of 5G Services	-	248,468
Total			**11,210**	**248,468**
Telekom Malaysia (TM) Group of Companies				
TM Group	CelcomDigi Group	Leased line / bandwidth leasing	1,927	277,595
		Domestic interconnect and roaming services	2,145	2,815
		Provision of telecommunication services	9,915	-
		Site infrastructure lease income	7,354	-
		Infrastructure leasing and related services	-	7,714
Total			**21,341**	**288,124**
Grand Total			**101,655**	**1,288,726**

Notes:

Nature of the relationship of the related parties are as follows:

a. Telenor Group refers to Telenor ASA and its subsidiaries. Telenor ASA, through its indirect wholly owned subsidiary, Telenor Malaysia Investments Pte Ltd, is an indirect major shareholder of CelcomDigi.

b. Axiata Group refers to Axiata Group Berhad and its subsidiaries. Axiata Group Berhad is a major shareholder of CelcomDigi.

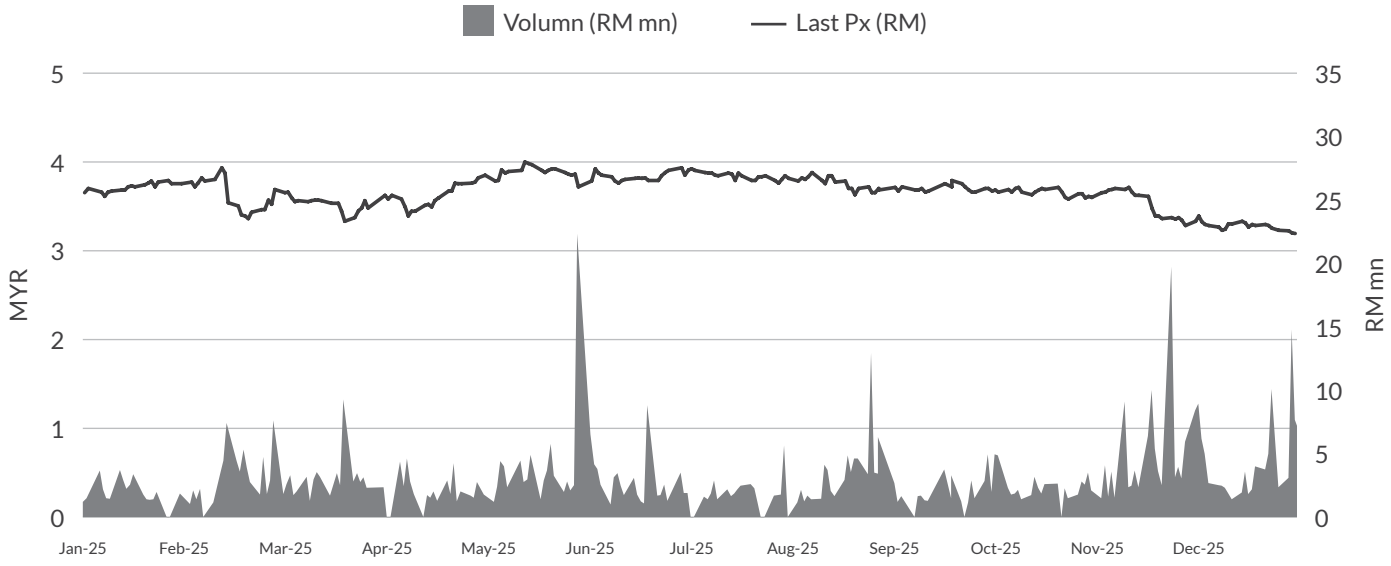
c. Khazanah Group refers to Khazanah Nasional Berhad ("Khazanah"), its subsidiaries and other related entities. Khazanah is a major shareholder of Axiata Group Berhad and an indirect major shareholder of CelcomDigi.

d. DNB is connected to CelcomDigi due to Khazanah, which is an indirect major shareholder of CelcomDigi and a person connected to DNB as Minister of Finance (Incorporated) is the holding company of DNB and Khazanah.

e. TM Group refers to Telekom Malaysia Berhad and its subsidiaries. Telekom Malaysia Berhad is connected to CelcomDigi due to Khazanah, which is an indirect major shareholder of CelcomDigi and a major shareholder of TM Group.

SHARE PRICE DEVELOPMENT

SHARE PRICE PERFORMANCE 2025



	1Q25	2Q25	3Q25	4Q25
Low (RM)	3.33	3.39	3.36	3.19
High (RM)	3.93	4.00	3.92	3.71
Average (RM)	3.62	3.77	3.77	3.48
Volume ('bil)	160.7	181.2	147.5	253.7
Average Daily Volume ('mil)	2.8	3.0	2.4	4.0

Share Price Performance 2025

CelcomDigi's share price demonstrated relative stability throughout FY2025, trading within a range of RM3.19 to RM4.00 despite broader market volatility. The stock recorded its yearly high of RM4.00 in 2Q2025, reflecting constructive investor sentiment following the continued execution of integration and operational initiatives.

Average share price remained largely stable in the first three quarters at RM3.62–RM3.77, indicating sustained market confidence in the Group's strategic progress. In 4Q2025, the average share price moderated to RM3.48, closing the year at RM3.19, amid broader market movements and sector rotation.

Notably, trading liquidity strengthened significantly towards the end of the year. Total trading volume increased to 253.7 million shares in 4Q2025, representing the highest quarterly turnover of the year. Correspondingly, average daily trading volume rose to 4.0 million shares, compared with 2.4–3.0 million shares in the earlier quarters.

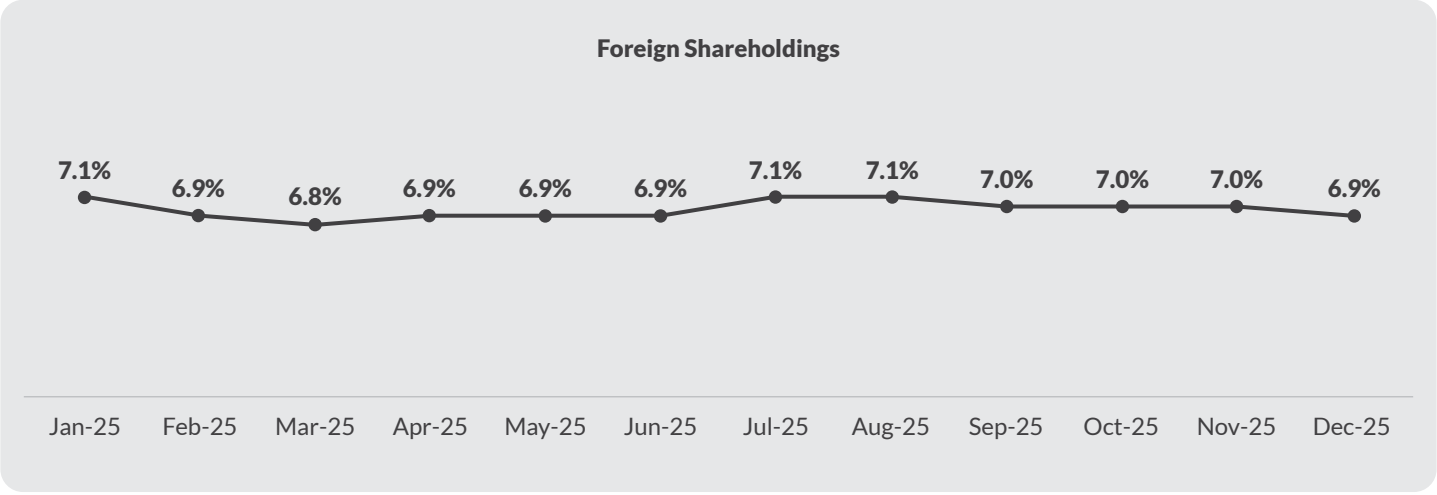
The improved trading activity reflects heightened investor engagement and enhanced stock liquidity, reinforcing CelcomDigi's position as one of the more actively traded telecommunications stocks on Bursa Malaysia.

Overall, the Group's stable trading range and strengthening liquidity profile underscore continued investor interest as CelcomDigi transitions beyond its integration phase and focuses on delivering sustainable long-term shareholder value.

Share Price Development

Historical Monthly Foreign Shareholdings

Our foreign shareholding remained stable in 2025, averaging approximately 7.0% compared to 7.3% in 2024. Foreign ownership fluctuated within a narrow range of 6.8% to 7.1% during the year, easing slightly in the first quarter before recovering to 7.1% mid-year and stabilising at 7.0% in the final quarter. This consistent trend reflects continued confidence among foreign investors and underscores the resilience of CelcomDigi's well-balanced shareholder base. We believe this steady level of foreign ownership provides a strong foundation to support our strategic priorities while enabling CelcomDigi to continue delivering sustainable value creation for shareholders over the long-run.



ANALYSIS OF SHAREHOLDINGS

Statistics on shareholdings as at 13 March 2026

Total number of Issued Shares : 11,731,507,988
Class of Equity Securities : Ordinary Share ("Share")
Voting Rights : One vote per share

ANALYSIS BY SIZE OF HOLDINGS AS AT 13 MARCH 2026

Size of Holdings	No. of Holders	%	No. of Shares	%
1-99	1,280	4.976	12,471	0.000
100-1,000	10,729	41.706	6,027,715	0.051
1,001-10,000	10,585	41.147	42,868,475	0.365
10,001-100,000	2,363	9.186	65,978,923	0.563
100,001-586,575,398 (*)	764	2.970	2,477,898,000	21.122
586,575,399 and above (**)	4	0.015	9,138,722,404	77.899
Total	25,725	100.000	11,731,507,988	100.000

Remarks:

* Less than 5% of issued shares

** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 13 MARCH 2026

	Number of Shares			
Substantial Shareholders	Direct Interest	%	Deemed Interest	%
Axiata Group Berhad	3,883,129,144	33.100	-	-
Telenor Malaysia Investments Pte Ltd	3,883,129,144	33.100	-	-
Telenor South East Asia Investment Pte Ltd	-	-	3,883,129,144 (a)	33.100
Telenor Asia Holdings AS	-	-	3,883,129,144 (b)	33.100
Telenor Mobile Holding AS	-	-	3,883,129,144 (c)	33.100
Telenor ASA	-	-	3,883,129,144 (d)	33.100
Khazanah Nasional Berhad	-	-	3,883,129,144 (e)	33.100
Employees Provident Fund Board	1,260,401,290	10.744	-	-
AmanahRaya Trustees Berhad - Amanah Saham Bumiputera	591,797,600	5.045	-	-

Remarks:

(a) Deemed interested by virtue of its 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.

(b) Deemed interested by virtue of its 100% interest in Telenor South East Asia Investment Pte Ltd which has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.

(c) Deemed interested by virtue of its 100% interest in Telenor Asia Holding AS which has 100% interest in Telenor South East Asia Investment Pte Ltd, which in turn has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.

(d) Deemed interested by virtue of its 100% interest in Telenor Mobile Holding AS which has 100% interest in Telenor Asia Holidng AS which has 100% interest in Telenor South East Asia Investment Pte Ltd, which in turn has 100% interest in Telenor Malaysia Investments Pte Ltd pursuant to Section 8(4) of the Companies Act 2016.

(e) Deemed to have interest pursuant to Section 8 of the Companies Act 2016 through its associate, Axiata Group Berhad, which is a substantial shareholder of CelcomDigi Berhad.

STATEMENT OF DIRECTORS' AND CHIEF EXECUTIVE'S SHAREHOLDINGS

As at 13 March 2026

	Number of Shares			
	Direct Interest	%	Deemed Interest	%
Directors				
Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	-	-	-	-
Jon Omund Revhaug	-	-	-	-
Vivek Sood	-	-	-	-
Nik Rizal Kamil Nik Ibrahim Kamil	-	-	-	-
Rita Skjaervik	-	-	-	-
Irfan ul Wahab Khan	-	-	-	-
Vimala V.R. Menon	-	-	-	-
Datuk Iain John Lo	-	-	-	-
Khatijah Shah Mohamed	-	-	-	-
Tunku Alizakri Raja Muhammad Alias	-	-	-	-
Chief Executive Officer				
Albern Murty	4,600	negligible	-	-

LIST OF 30 LARGEST SHAREHOLDERS

As at 13 March 2026

	Name of Shareholders	No. of Shares	%
1	AXIATA GROUP BERHAD	3,883,129,144	33.099
2	CITIGROUP NOMINEES (ASING) SDN BHD TELENOR MALAYSIA INVESTMENTS PTE. LTD.	3,883,129,144	33.099
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	780,666,516	6.654
4	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	591,797,600	5.044
5	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	355,771,700	3.032
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	345,421,635	2.944
7	LEMBAGA TABUNG HAJI	101,602,150	0.866
8	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 2 - WAWASAN	62,600,000	0.533
9	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 2	62,000,000	0.528
10	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 3	56,765,800	0.483
11	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	55,896,080	0.476
12	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	53,296,633	0.454
13	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (1)	46,370,800	0.395
14	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR ISHARES CORE MSCI EMERGING MARKETS ETF	41,253,800	0.351
15	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	32,012,090	0.272
16	AHMAD SEBI BIN BAKAR	30,785,530	0.262
17	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	30,443,700	0.259
18	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	28,046,100	0.239
19	HSBC NOMINEES (ASING) SDN BHD HSBC-FS G FOR PEOPLE'S BANK OF CHINA (SICL ASIA EM)	26,778,000	0.228
20	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (AHAM AM)	24,927,400	0.212

List of 30 Largest Shareholders

As at 13 March 2026

	Name of Shareholders	No. of Shares	%
21	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (CGS CIMB)	23,463,000	0.199
22	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	21,703,800	0.185
23	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 3 - DIDIK	21,664,200	0.184
24	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A. INVESTMENT FUNDS FOR EMPLOYEE BENEFITS TRUSTS	19,531,315	0.166
25	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 3)	17,168,800	0.146
26	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR NORGES BANK (FI 17)	16,498,800	0.140
27	CARTABAN NOMINEES (TEMPATAN) SDN BHD PBTB FOR TAKAFULINK DANA EKUITI	15,614,000	0.133
28	DB (MALAYSIA) NOMINEE (ASING) SDN BHD EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	15,362,783	0.130
29	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD	15,164,326	0.129
30	DB (MALAYSIA) NOMINEE (ASING) SDN BHD SSBT FUND J724 FOR SPDR PORTFOLIO EMERGING MARKETS ETF	14,476,929	0.123

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz
Chair,
Non-Independent Non-Executive Director

Jon Omund Revhaug
Deputy Chair,
Non-Independent Non-Executive Director

Vivek Sood
Non-Independent Non-Executive Director

Rita Skjaervik
Non-Independent Non-Executive Director

Nik Rizal Kamil Nik Ibrahim Kamil
Non-Independent Non-Executive Director

Irfan ul Wahab Khan
Non-Independent Non-Executive Director

Vimala V.R. Menon
Independent Non-Executive Director

Datuk Iain John Lo
Independent Non-Executive Director

Khatijah Shah Mohamed
Independent Non-Executive Director

Tunku Alizakri Raja Muhammad Alias
Independent Non-Executive Director

BOARD AUDIT COMMITTEE

Vimala V.R. Menon
Chair

Khatijah Shah Mohamed
Member

Tunku Alizakri Raja Muhammad Alias
Member

BOARD GOVERNANCE AND RISK MANAGEMENT COMMITTEE

Vivek Sood
Chair

Jon Omund Revhaug
Member

Khatijah Shah Mohamed
Member

Datuk Iain John Lo
Member

BOARD NOMINATION AND REMUNERATION COMMITTEE

Datuk Iain John Lo
Chair

Vimala V.R. Menon
Member

Tunku Alizakri Raja Muhammad Alias
Member

SECRETARIES

Choo Mun Lai (MAICSA No. 7039980)
(SSM PC No. 201908001003)

Tai Yit Chan (MAICSA No. 7009143)
(SSM PC No. 202008001023)

DOMICILE AND COUNTRY OF INCORPORATION

Malaysia

REGISTERED OFFICE

Level 30, Menara CelcomDigi
No. 6, Persiaran Barat
Seksyen 52, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel : +60 (3) 7200 2222
Fax : N/A

INVESTOR RELATIONS

Tel : +6019-601 1111
E-mail : invesrel@celcomdigi.com

WEBSITE

www.celcomdigi.com

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970) (11324-H)

Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia
Tel : +60 (3) 2783 9299
Fax : N/A
E-mail : is.enquiry@vistra.com
Web : www.vistra.com

AUDITORS

PricewaterhouseCoopers PLT
(LLP0014401-LCA & AF1146)

Chartered Accountants
Level 10, Menara TH 1 Sentral
Jalan Rakyat, Kuala Lumpur Sentral
P.O. Box 10192
50706 Kuala Lumpur
Malaysia
Tel : +60 (3) 2173 1188
Fax : +60 (3) 2173 1288
Web : www.pwc.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Listed on : 18 December 1997
Stock Name : CDB
Stock Code : 6947

PRINCIPAL BANKERS

AmBank Islamic Berhad
CIMB Islamic Bank Berhad
Maybank Islamic Berhad
RHB Bank Berhad
RHB Islamic Bank Berhad
Standard Chartered Bank Malaysia Berhad

CORPORATE DIRECTORY

HEAD OFFICES

CelcomDigi Tower
No. 6, Persiaran Barat
Seksyen 52
46200 Petaling Jaya
Selangor
Malaysia

CelcomDigi Hub
Lot 10, Jalan Delima 1/1
Subang Hi-Tech Industrial Park
40000 Shah Alam
Selangor
Malaysia

REGIONAL OPERATING OFFICES

Northern Region
No. 11, Pusat Perdagangan Nova
Jalan Ahmad Nor
11600 Jelutong
Penang
Malaysia

Southern Region
No. 1, 1-01 & 1-02, Jalan Molek 1/9
Taman Molek
81100 Johor Bahru
Johor
Malaysia

Eastern Region
No. 7, Persiaran Sultan Abu Bakar
Kawasan Perindustrian Ringan IM3
Bandar Indera Mahkota
25200 Kuantan
Pahang
Malaysia

Sabah Region
Unit No. B2-7-02, Level 7
Riverson Suites
Lorong Riverson @ Sembulan Off Jalan Coastal
88300 Kota Kinabalu
Sabah
Malaysia

Sarawak Region
The Podium Office Tower 1st Floor
Jalan Tun Ahmad Zaidi Adruce
93200 Kuching
Sarawak
Malaysia

For full list of Celcom Bluecube and Digi Store, please visit our website:
https://www.celcomdigi.com/store-locator

GRI CONTENT INDEX

Statement of use	CelcomDigi has reported in reference to the GRI Standards for the period of 1 January 2025 to 31 December 2025, unless otherwise stated.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure		Location
GRI 2: General Disclosures	**2-1**	Organisational details	We Are CelcomDigi – pg. 4 to 7
	2-2	Entities included in the organisation's sustainability reporting	About this Report – pg. 2 to 3
	2-3	Reporting period, frequency and contact point	About this Report – pg. 2 to 3
	2-4	Restatements of information	About this Report – pg. 2 to 3
	2-5	External assurance	Independent Assurance Report – pg. 246 to 249
	2-6	Activities, value chain and other business relationships	Value Creation Model - pg. 30 to 31, Key Relationships - pg. 40 to 45, Sustainability Statement – pg. 57 to 58
	2-7	Employees	Sustainability Statement – pg. 55, Sustainability Statement > ESG Performance Data Table – pg. 82 to 87, Invest for the Future – pg. 105 to 107
	2-8	Workers who are not employees	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	2-9	Governance structure and composition	Sustainability Statement – pg. 64 to 65, Sustainability Statement > ESG Performance Data Table – pg. 82 to 87, Corporate Governance Overview Statement > Board Composition – pg. 111 to 112, Statement on Risk Management and Internal Control (SORMIC) > Internal Control Structure – pg. 135
	2-10	Nomination and selection of the highest governance body	Corporate Governance Overview Statement > Board Appointment Process – pg. 116 to 117
	2-11	Chair of the highest governance body	Sustainability Statement – pg. 64 to 65, SORMIC > Internal Control Structure – pg. 135
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Statement – pg. 64 to 65, SORMIC > Responsibilities and Accountabilities – pg. 133, SORMIC > Internal Control Systems – pg. 136 to 137
	2-13	Delegation of responsibility for managing impacts	SORMIC > Internal Control Structure – pg. 135, SORMIC > Internal Control Systems – pg. 136 to 137
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Statement – pg. 64 to 65, SORMIC > Internal Control Structure – pg. 135
	2-15	Conflict of interest	Corporate Governance Overview Statement > Board Audit Committee (BAC) Report – pg. 124 to 125, Corporate Governance Overview Statement > Summary of Key Activities of BAC for FY2025 – Conflict of Interest - pg. 127 to 128

GRI Content Index

GRI Standard	Disclosure		Location
GRI 2: General Disclosures	**2-16**	Communication of critical concerns	Key Relationships – pg. 40 to 45, Sustainability Statement – pg. 55
	2-17	Collective knowledge of the highest governance body	Board of Directors' Profiles – pg. 16 to 21, Corporate Governance Overview Statement > Induction and Continuous Professional Development – pg. 118 to 121
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement > Board Effectiveness Evaluation (BEE) – pg. 117
	2-19	Remuneration policies	Corporate Governance Overview Statement > Directors' Remuneration – pg. 123 to 124, Non-Executive Directors' Remuneration Policy - https://celcomdigi.listedcompany.com/corporate_governance.html, Remuneration Policy for Senior Management - https://celcomdigi.listedcompany.com/corporate_governance.html
	2-20	Process to determine remuneration	Corporate Governance Overview Statement > Board Nomination and Remuneration Committee (BNRC) Report – pg. 121 to 122, Non-Executive Directors' Remuneration Policy - https://celcomdigi.listedcompany.com/corporate_governance.html, Remuneration Policy for Senior Management - https://celcomdigi.listedcompany.com/corporate_governance.html
	2-22	Statement on sustainable development strategy	Chair of the Board's Statement – pg. 10 to 11
	2-23	Policy commitments	Sustainability Statement – pg. 55, Corporate Governance Overview Statement > Board Nomination and Remuneration Committee (BNRC) Report – pg. 121 to 122
	2-24	Embedding policy commitments	Sustainability Statement – pg. 55
	2-25	Processes to remediate negative impacts	Key Relationships - pg. 40 to 45, Sustainability Statement – pg. 55, Invest for the Future – pg. 105 to 107
	2-26	Mechanisms for seeking advice and raising concerns	Sustainability Statement – pg. 55, Invest for the Future – pg. 105 to 107
	2-27	Compliance with laws and regulations	No significant non-compliances were reported.
	2-28	Membership associations	CelcomDigi is a member of: - CEO Action Network - Climate Governance Malaysia - United Nations Global Compact Malaysia and Brunei
	2-29	Approach to stakeholder engagement	Key Relationships – pg. 40 to 45
	2-30	Collective bargaining agreements	CelcomDigi acknowledges the fundamental labour right of Freedom of Association and Collective Bargaining. Employees can express concerns, offer suggestions and influence decisions that shape the organisation's future. Sustainability Statement > ESG Performance Data Table – pg. 82 to 87

GRI Content Index

GRI Standard	Disclosure		Location
GRI 3: Material Topics 2021	**3-1**	Process to determine material topics	Sustainability Statement > Materiality Assessment – pg. 60 to 63
	3-2	List of material topics	Sustainability Statement > Materiality Assessment – pg. 60 to 63
	3-3	Management of material topics	Covered in each GRI Material Topic Disclosure below
GRI 201: Economic Performance 2016	**3-3**	Management of material topics	Strengthen Market Leadership – pg. 90 to 92
	201-1	Direct economic value generated and distributed	Strengthen Market Leadership – pg. 90 to 92
	201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Statement > IFRS S2 Climate-Related Disclosures – pg. 65 to 72
	201-3	Defined benefit plan obligations and other retirement plans	Notes to the Financial Statements – pg. 161 to 239
	201-4	Financial assistance received from government	Notes to the Financial Statements – pg. 161 to 239
GRI 202: Market Presence 2016	**3-3**	Management of material topics	Strategy – pg. 52 to 53
	202-2	Proportion of senior management hired from the local community	Management's Profiles - pg. 22 to 25
GRI 203: Indirect Economic Impacts 2016	**3-3**	Management of material topics	Financial Capital – pg. 64 to 69, Manufactured Capital – pg. 70 to 75, Intellectual Capital – pg. 76 to 83, Social and Relationship Capital – pg. 102 to 111
	203-1	Infrastructure investments and services supported	Value Creation Model – pg. 30 to 31, Strengthen Market Leadership – pg. 90 to 96, Enhance Customer Experience – pg. 97 to 99, Drive Operational Excellence – pg. 100 to 102, Invest for the Future – pg. 103 to 107
	203-2	Significant indirect economic impacts	Value Creation Model – pg. 30 to 31, Sustainability Statement – pg. 54 to 81, Strengthen Market Leadership – pg. 90 to 91, Invest for the Future – pg. 103 to 107
GRI 204: Procurement Practices 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	204-1	Proportion of spending on local suppliers	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
GRI 205: Anti-corruption 2016	**3-3**	Management of material topics	SORMIC > Internal Control Systems – pg. 139
	205-1	Operations assessed for risks related to corruption	Value Creation Model – pg. 30 to 31, Sustainability Statement – pg. 55, SORMIC > Internal Control Systems – pg. 139, Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	205-2	Communication and training about anti-corruption policies and procedures	Sustainability Statement – pg. 55, SORMIC > Internal Control Systems – pg. 139, Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	205-3	Confirmed incidents of corruption and actions taken	Value Creation Model – pg. 30 to 31, Sustainability Statement > ESG Performance Data Table – pg. 82 to 87

GRI Content Index

GRI Standard	Disclosure		Location
GRI 206: Anti-competitive Behaviour 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No incidents of anti-competitive behaviour were reported. Sustainability Statement – pg. 55
GRI 207: Tax 2019	**3-3**	Management of material topics	Strengthen Market Leadership – pg. 90 to 96
	207-1	Approach to tax	Notes to the Financial Statements – pg. 161 to 239
	207-2	Tax governance, control, and risk management	Notes to the Financial Statements – pg. 161 to 239
	207-3	Stakeholder engagement and management of concerns related to tax	Notes to the Financial Statements – pg. 161 to 239
	207-4	Country-by-country reporting	Our Audited Financial Statement is within Malaysian jurisdiction.
GRI 302: Energy 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 54 to 81
	302-1	Energy consumption within the organisation	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	302-2	Energy consumption outside of the organisation	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	302-3	Energy intensity	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	302-4	Reduction of energy consumption	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	302-5	Reductions in energy requirements of products and services	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
GRI 303: Water and Effluents 2018	**303-1**	Interactions with water as a shared resource	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	303-5	Water consumption	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
GRI 305: Emissions 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 54 to 81
	305-1	Direct (Scope 1) GHG emissions	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	305-3	Other indirect (Scope 3) GHG emissions	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	305-4	GHG emissions intensity	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	305-5	Reduction of GHG emissions	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
GRI 306: Waste 2020	**3-3**	Management of material topics	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	306-1	Waste generation and significant waste-related impacts	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	306-2	Management of significant waste-related impacts	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	306-3	Waste generated	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	306-4	Waste diverted from disposal	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	306-5	Waste directed to disposal	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87

GRI Content Index

GRI Standard	Disclosure		Location
GRI 308: Supplier Environmental Assessment 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	308-1	New suppliers that were screened using environmental criteria	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	308-2	Negative environmental impacts in the supply chain and actions taken	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
GRI 401: Employment 2016	**3-3**	Management of material topics	Invest for the Future – pg. 105 to 107
	401-1	New employee hires and employee turnover	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Notes to the Financial Statements – pg. 161 to 239
	401-3	Parental leave	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
GRI 403: Occupational Health and Safety 2018	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	403-1	Occupational health and safety management system	Sustainability Statement – pg. 55
	403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Statement – pg. 55
	403-3	Occupational health services	Sustainability Statement – pg. 55
	403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Statement – pg. 55
	403-5	Worker training on occupational health and safety	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	403-6	Promotion of worker health	Sustainability Statement – pg. 55
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Statement – pg. 55
	403-9	Work-related injuries	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
GRI 404: Training and Education 2016	**3-3**	Management of material topics	Invest for the Future – pg. 105 to 107
	404-1	Average hours of training per year per employee	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	404-2	Programs for upgrading employee skills and transition assistance programs	Invest for the Future – pg. 105 to 107
	404-3	Percentage of employees receiving regular performance and career development reviews	100% of employees received regular performance and career development reviews regardless of category and gender. Invest for the Future – pg. 105 to 107

GRI Content Index

GRI Standard	Disclosure		Location
GRI 405: Diversity and Equal Opportunity 2016	**3-3**	Management of material topics	Invest for the Future – pg. 105 to 107
	405-1	Diversity of governance bodies and employees	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
GRI 406: Non-discrimination 2016	**3-3**	Management of material topics	Invest for the Future – pg. 105 to 107
	406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination reported.
GRI 407: Freedom of Association and Collective Bargaining 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No operations and suppliers in which the right to freedom of association and collective bargaining may be at risk identified.
GRI 408: Child Labor 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	408-1	Operations and suppliers at significant risk for incidents of child labour	No operations and suppliers at significant risk for incidents of child labour identified.
GRI 409: Forced or Compulsory Labor 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	No operations and suppliers at significant risk for incidents of forced or compulsory labour identified.
GRI 411: Rights of Indigenous Peoples 2016	**411-1**	Incidents of violations involving rights of indigenous peoples	No material incidents of violations involving rights of indigenous peoples reported.
GRI 413: Local Communities 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	413-1	Operations with local community engagement, impact assessments, and development programs	Sustainability Statement – pg. 55, Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	413-2	Operations with significant actual and potential negative impacts on local communities	No incidents of negative impacts were reported.
GRI 414: Supplier Social Assessment 2016	**3-3**	Management of material topics	Sustainability Statement – pg. 55
	414-1	New suppliers that were screened using social criteria	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87
	414-2	Negative social impacts in the supply chain and actions taken	No incidents of negative social impacts in the supply chain reported.
GRI 415: Public Policy 2016	**3-3**	Management of material topics	Refer to the Anti-Corruption Policy on political contributions https://corporate.celcomdigi.com/company/governance
	415-1	Political contributions	Refer to the Anti-Corruption Policy on political contributions https://corporate.celcomdigi.com/company/governance
GRI 416: Customer Health and Safety 2016	**3-3**	Management of material topics	Enhance Customer Experience – pg. 97 to 99
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance concerning the health and safety impacts of products and service were reported.

GRI Content Index

GRI Standard	Disclosure		Location
GRI 417: Marketing and Labelling 2016	**3-3**	Management of material topics	Operating Landscape and Outlook > Government Initiatives and Regulations - pg. 34
	417-1	Requirements for product and service information and labelling	Operating Landscape and Outlook > Government Initiatives and Regulations - pg. 34
	417-2	Incidents of non-compliance concerning product and service information and labelling	No incidents of non-compliance concerning product and service information and labelling were reported.
	417-3	Incidents of non-compliance concerning marketing communications	No incidents of non-compliance concerning marketing communications were reported.
GRI 418: Customer Privacy 2016	**3-3**	Management of material topics	Sustainability Statement > Other Sustainability-Related Financial Information – pg. 79 to 81, Strengthen Market Leadership – pg. 90 to 96
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Statement > ESG Performance Data Table – pg. 82 to 87

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Ninth Annual General Meeting ("**29th AGM**") of CelcomDigi Berhad ("**the Company**") will be held at Nexus, Connexion Conference & Event Centre, Grand Nexus Ballroom (Level 3A), Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("**Meeting Venue**") and will be broadcasted live from the Meeting Venue on **Thursday, 14 May 2026 at 9.00 a.m.** or at any adjournment thereof, for the transaction of the following business:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon.
   (Please refer to Note 1 of the Explanatory Notes)

2. To re-elect Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz who retires pursuant to Article 104(A) of the Company's Constitution and, being eligible, offers himself for re-election. **Ordinary Resolution 1**

   Vimala V.R. Menon and Datuk Iain John Lo who retire by rotation in accordance with Article 104(A) of the Company's Constitution, have expressed their intention not to seek re-election and will therefore retain office until the close of the 29th AGM.
   (Please refer to Note 2 of the Explanatory Notes)

3. To re-elect Tunku Alizakri Raja Muhammad Alias who retires pursuant to Article 104(E) of the Company's Constitution and, being eligible, offers himself for re-election. **Ordinary Resolution 2**
   (Please refer to Note 2 of the Explanatory Notes)

4. To approve the payment of Directors' fees of up to RM2,600,000 and benefits payable of up to RM222,900 to the Non-Executive Directors with effect from 14 May 2026 until the conclusion of the next Annual General Meeting ("**AGM**") of the Company. **Ordinary Resolution 3**
   (Please refer to Note 3 of the Explanatory Notes)

5. To re-appoint PricewaterhouseCoopers PLT as Auditors of the Company to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**
   (Please refer to Note 4 of the Explanatory Notes)

Special Business

To consider and, if deemed fit, to pass the following resolutions:

6. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Berhad and its subsidiaries ("CelcomDigi Group") and Telenor ASA and its subsidiaries ("Telenor Group") ("Proposed Renewal of Shareholders' Mandate 1")** **Ordinary Resolution 5**
   (Please refer to Note 5 of the Explanatory Notes)

   "THAT, subject to the provisions of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Telenor Group as set out in Appendix I of the Circular to Shareholders dated 15 April 2026 ("**Circular**"), which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 1 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 1."

7. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Axiata Group Berhad and its subsidiaries ("Axiata Group") ("Proposed Renewal of Shareholders' Mandate 2")** **Ordinary Resolution 6**
(Please refer to Note 5 of the Explanatory Notes)

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Axiata Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 2 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 2."

Notice of Annual General Meeting

8. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Khazanah Nasional Berhad and its related entities ("Khazanah Group") ("Proposed Renewal of Shareholders' Mandate 3")** **Ordinary Resolution 7**
(Please refer to Note 5 of the Explanatory Notes)

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Khazanah Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 3 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 3."

9. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Digital Nasional Berhad ("DNB") ("Proposed Renewal of Shareholders' Mandate 4")** **Ordinary Resolution 8**
(Please refer to Note 5 of the Explanatory Notes)

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with DNB as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 4 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 4."

10. **Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature between CelcomDigi Group and Telekom Malaysia Berhad and its subsidiaries ("TM Group") ("Proposed Renewal of Shareholders' Mandate 5")** **Ordinary Resolution 9**
(Please refer to Note 5 of the Explanatory Notes)

"THAT, subject to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with TM Group as set out in Appendix I of the Circular, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate 5 shall be passed, at which time it will lapse, unless by a resolution passed at the next AGM, the authority conferred by this resolution is renewed;

(ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to subsection 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to subsection 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised and empowered to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate 5."

Notice of Annual General Meeting

11. **Proposed Authority for the Company to Purchase its Own Shares of Up to Ten Percent (10%) of the Total Number of Issued Shares of the Company ("Proposed Share Buy-Back Authority")** **Ordinary Resolution 10**
(Please refer to Note 6 of the Explanatory Notes)

"THAT subject to Section 127 of the Companies Act 2016, the Constitution of the Company, the MMLR of Bursa Securities and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the best interest of the Company, provided that:

(i) the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten percent (10%) of the total number of issued shares of the Company as at any point of purchase; and

(ii) the maximum fund to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

("Proposed Share Buy-Back")

THAT the authority to facilitate the Proposed Share Buy-Back will commence upon the passing of this Ordinary Resolution and shall continue to be in force until:

(i) the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, or at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or

(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the MMLR and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner:

(i) to cancel all or part of the shares so purchased; and/or

(ii) to retain the shares so purchased as treasury shares for distribution as dividends to the shareholders and/or resell the treasury shares on the stock market of Bursa Securities in accordance with the relevant rules of Bursa Securities; and/or

(iii) to retain part of the shares so purchased as treasury shares and cancel the remainder of shares so purchased; and/or

Notice of Annual General Meeting

(iv) to transfer the treasury shares, or any of the said shares for the purposes of or under an employees' share scheme; and/or

(v) transfer the shares, or any of the shares as purchase consideration; and/or

in any other manner as prescribed by the Companies Act 2016, rules, regulations and orders made pursuant to the Companies Act 2016 and the MMLR and any other relevant authority for the time being in force.

AND THAT the Directors of the Company be authorised to give effect to the Proposed Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities and to take such steps and do all such acts and things as they may deem fit and expedient in the best interest of the Company."

12. To transact any other business of which due notice shall has been given in accordance with the Companies Act 2016 and the Company's Constitution.

By Order of the Board
CELCOMDIGI BERHAD

CHOO MUN LAI (MAICSA 7039980) (SSM PC No: 201908001003)
TAI YIT CHAN (MAICSA 7009143) (SSM PC No: 202008001023)
Company Secretaries

Selangor Darul Ehsan, Malaysia
15 April 2026

NOTES:

(i) The 29th AGM of the Company will be held in a hybrid mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) are given an option, to either:-
   a. Attend physically in person at the Meeting Venue ("**Physical Attendance**"); or
   b. Attend virtually using the Remote Participation and Electronic Voting ("**RPEV**") facilities to be provided by the appointed Poll Administrator, Boardroom Share Registrars Sdn Bhd ("**Virtual Attendance**").

   The procedures for Physical Attendance and Virtual Attendance are provided in the Administrative Guide for the 29th AGM which is available on the Company's website at https://corporate.celcomdigi.com/annualreport.

(ii) In respect of deposited securities, only shareholders whose names appear on the Record of Depositors on 7 May 2026 (General Meeting Record of Depositors) shall be eligible to attend, participate, speak and/or vote at the Meeting.

(iii) A shareholder entitled to participate at the 29th AGM is entitled to appoint not more than two (2) proxies to participate on his/her behalf. Where a shareholder appoints more than one (1) proxy, the appointment shall be invalid unless the shareholder specifies the proportions of his/her shareholdings to be represented by each proxy.

(iv) A proxy or attorney need not be a shareholder of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate at the Meeting shall have the same rights as the shareholder to speak at the Meeting.

(v) Where a shareholder of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) as defined under the Securities Industry (Central Depositories) Act 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

Notice of Annual General Meeting

(vi) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.

(vii) The instrument appointing a proxy together with the power of attorney (if any) or a certified copy thereof must be deposited at the Poll Administrator's Office, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, otherwise, the instrument of proxy should not be considered valid. Alternatively, the Form of Proxy can be submitted electronically via https://investor.boardroomlimited.com before the Form of Proxy submission cut-off time as mentioned in the above. For further information on the electronic submission of the Form of Proxy, kindly refer to the Administrative Guide.

(viii) If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to participate in our 29th AGM by yourself, please write to bsr.proxy@boardroomlimited.com or login to https://investor.boardroomlimited.com (as the case may be) to revoke the earlier appointed proxy before the 29th AGM. On revocation, your proxy(ies) will not be allowed to participate in the 29th AGM. In such event, you should advise your proxy accordingly.

(ix) Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, all the resolutions set out in the Notice of 29th AGM will put to vote by way of poll. A Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

EXPLANATORY NOTES

1. **Audited Financial Statements for the financial year ended 31 December 2025**

   The Audited Financial Statements under Item 1 of the Agenda are laid in accordance with subsection 340(1)(a) the Companies Act 2016 for discussion only. They do not require shareholders' approval and hence, this agenda item will not be put forward for voting.

2. **Ordinary Resolutions 1 to 2: Re-election of Directors**

   The Board, through the Board Nomination and Remuneration Committee, has conducted an annual assessment of each Director eligible for re-election and is satisfied that they meet the fit and proper criteria in the Fit and Proper Policy, demonstrating strong performance, contribution and effectiveness.

   The retiring Directors, Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz and Tunku Alizakri Raja Muhammad Alias are eligible and have offered themselves for re-election at the 29th AGM. They have abstained from deliberations and decisions on their own eligibility and suitability to stand for re-election at the relevant Board and Board Committees meetings. They do not hold any shares in the Company and have no conflict of interests with the Company except as disclosed in the Director's profiles.

   Vimala V.R. Menon and Datuk Iain John Lo, both Independent Non-Executive Directors of the Company, who are subject to retirement by rotation pursuant to Article 104(A) of the Company's Constitution, have expressed their intention not to seek re-election at the 29th AGM. Accordingly, Vimala V.R. Menon and Datuk Iain John Lo would retire as Directors at the conclusion of the 29th AGM.

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3. **Ordinary Resolution 3: Payment of Directors' Fees and Benefits**

Pursuant to subsection 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors including any compensation for loss of employment of a director or former director of a public company or listed company and its subsidiaries, shall be approved at a general meeting.

The fees and benefits structure of the Non-Executive Directors of the Company are as follows:

- Monthly fixed fees for duties as Chair/Directors;
- Monthly fixed fees for duties as Board Committees Chair/Members;
- Meeting attendance allowances; and
- Medical and insurance coverage, telecommunication facilities and other claimable benefits payable.

The Non-Executive Directors employed by Telenor Group or Axiata Group are not entitled to Directors' fees and benefits.

The Directors' fees and benefits payable for the Non-Executive Directors from 14 May 2026 until the conclusion of the next AGM of the Company ("**Mandate Period**") are estimated not to exceed RM2,822,900 assuming that the number of eligible Non-Executive Directors remains unchanged until the next AGM. This resolution seeks to facilitate the payment of the Directors' fees and benefits for the Mandate Period. If the approved amount is insufficient, the Board will seek shareholders' approval at the next AGM.

Details of Directors' remuneration for the financial year ended 31 December 2025 are available in the Integrated Annual Report 2025 and Corporate Governance Report 2025 on the Company's website.

4. **Ordinary Resolution 4: Re-appointment of PricewaterhouseCoopers PLT ("PwC") as Auditors of the Company**

The Board, through the Board Audit Committee, has evaluated the independence, competency and reliability of PwC based on the relevant criteria prescribed under Paragraph 15.21 of the MMLR of Bursa Securities. The Board was satisfied with PwC's performance and has recommended its re-appointment as the Company's Auditors.

5. **Ordinary Resolutions 5 to 9: Proposed Renewal of Shareholders' Mandates 1 to 5**

Ordinary Resolutions 5 to 9 proposed under items 6 to 10 of the Agenda, if passed, will allow CelcomDigi Group to enter into recurrent related party transactions, in accordance with Paragraph 10.09 of the MMLR of Bursa Securities, without the need to convene separate general meetings each time such transactions occur. This would streamline administrative processes and reduce expenses associated with convening such meetings, while maintaining the corporate objectives of CelcomDigi Group and preserving business opportunities. The shareholders' mandates are subject to renewal on an annual basis.

Please refer to the Circular for further information.

Notice of Annual General Meeting

6. **Ordinary Resolution 10: Proposed Share Buy-Back Authority**

The Ordinary Resolution 10, if approved, will empower the Company to purchase up to ten percent (10%) of its issued shares, subject to the applicable laws and regulations. Shareholders' approval does not obligate the Company to undertake any share buy-back but enable the Board to act in the best interests of the Company within the authorised period. Further information is set out in the Statement to Shareholders dated 15 April 2026.

Personal data privacy

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at the 29th AGM and/or any adjournment thereof, a shareholder of the Company, the said proxy(ies) and/or representative(s) (i) consents to the collection, use and disclosure of the shareholder's and/or the said proxy(ies) and/or representative(s) personal data by the Company (or its agents) for the purpose of processing and administration by the Company (or its agents) of proxies and representatives appointed for the 29th AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the 29th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.*

FORM OF PROXY

CELCOMDIGI BERHAD
Registration No. 199701009694 (425190-X)
(Incorporated in Malaysia)

No. of shares held :	
CDS Account No. :	

I/We* _____ NRIC / Passport / Registration No.* _____
(Name in full)

of _____
(Address)

with email address _____ tel. no. / mobile no. _____

being a shareholder/shareholders* of **CELCOMDIGI BERHAD** ("the Company"), hereby appoint(s):-

Full Name:	**NRIC/Passport No.:**	**Proportion of shareholding to be represented by the proxy/proxies:**	
		No. of Shares	**%**
Address:			
Tel. No./Mobile No.:		Email Address:	
*and/or			

Full Name:	**NRIC/Passport No.:**	**Proportion of shareholding to be represented by the proxy/proxies:**	
		No. of Shares	**%**
Address:			
Tel. No./Mobile No.:		Email Address:	
*and/or			

or failing him/her, the **Chair of the Meeting* as my/our proxy to vote for me/us on my/our behalf at the Twenty-Ninth Annual General Meeting ("29th AGM") of the Company to be held at Nexus, Connexion Conference & Event Centre, Grand Nexus Ballroom (Level 3A), Bangsar South City, No. 7, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia ("Meeting Venue") and broadcast live from the Meeting Venue on **Thursday, 14 May 2026 at 9.00 a.m.** or at any adjournment thereof.

**Please delete as appropriate.*

This proxy is to vote on the resolutions set out in the Notice of the Meeting, as indicated with an 'X' in the appropriate spaces below. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

No.	**Resolution**			
	Ordinary Business		**For**	**Against**
1.	Re-election of Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz as Director.	Ordinary Resolution 1		
2.	Re-election of Tunku Alizakri Raja Muhammad Alias as Director.	Ordinary Resolution 2		
3.	Approval of the payment of Directors' fees and benefits payable to the Non-Executive Directors.	Ordinary Resolution 3		
4.	Re-appointment of PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 4		
	Special Business			
5.	Proposed Renewal of Shareholders' Mandate 1.	Ordinary Resolution 5		
6.	Proposed Renewal of Shareholders' Mandate 2.	Ordinary Resolution 6		
7.	Proposed Renewal of Shareholders' Mandate 3.	Ordinary Resolution 7		
8.	Proposed Renewal of Shareholders' Mandate 4.	Ordinary Resolution 8		
9.	Proposed Renewal of Shareholders' Mandate 5.	Ordinary Resolution 9		
10.	Proposed Share Buy-Back Authority.	Ordinary Resolution 10		

Signed this _____ day of _____, 2026

_____
Signature or Common Seal of Shareholder(s)

Tel. No. /
Mobile No.: _____

Notes:

(i) The 29th AGM of the Company will be held in a hybrid mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) are given an option, to either:-
   a. Attend physically in person at the Meeting Venue ("**Physical Attendance**"); or
   b. Attend virtually using the Remote Participation and Electronic Voting ("**RPEV**") facilities to be provided by the appointed Poll Administrator, Boardroom Share Registrars Sdn Bhd ("**Virtual Attendance**").

   The procedures for Physical Attendance and Virtual Attendance are provided in the Administrative Guide for the 29th AGM which is available on the Company's website at https://corporate.celcomdigi.com/annualreport.

(ii) In respect of deposited securities, only shareholders whose names appear on the Record of Depositors on 7 May 2026 (General Meeting Record of Depositors) shall be eligible to attend, participate, speak and/or vote at the Meeting.

(iii) A shareholder entitled to participate at the 29th AGM is entitled to appoint not more than two (2) proxies to participate on his/her behalf. Where a shareholder appoints more than one (1) proxy, the appointment shall be invalid unless the shareholder specifies the proportions of his/her shareholdings to be represented by each proxy.

(iv) A proxy or attorney need not be a shareholder of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate at the Meeting shall have the same rights as the shareholder to speak at the Meeting.

(v) Where a shareholder of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account) as defined under the Securities Industry (Central Depositories) Act 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

Fold along this line (1)

Affix Stamp Here

Poll Administrator Office for
CELCOMDIGI BERHAD
(Registration No. 199701009694 (425190-X))
Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

Fold along this line (2)

(vi) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.

(vii) The instrument appointing a proxy together with the power of attorney (if any) or a certified copy thereof must be deposited at the Poll Administrator's Office, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting, otherwise, the instrument of proxy should not be considered valid. Alternatively, the Form of Proxy can be submitted electronically via https://investor.boardroomlimited.com before the Form of Proxy submission cut-off time as mentioned in the above. For further information on the electronic submission of the Form of Proxy, kindly refer to the Administrative Guide.

(viii) If you have submitted your Form of Proxy and subsequently decide to appoint another person or wish to participate in our 29th AGM by yourself, please write to bsr.proxy@boardroomlimited.com or login to https://investor.boardroomlimited.com (as the case maybe) to revoke the earlier appointed proxy before the 29th AGM. On revocation, your proxy(ies) will not be allowed to participate in the 29th AGM. In such event, you should advise your proxy accordingly.

(ix) Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, all the resolutions set out in the Notice of 29th AGM will put to vote by way of poll. A Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of 29th AGM dated 15 April 2026.

To our valued customers,

Your trust drives everything we do at CelcomDigi. We are committed to building a brand you can rely on in an age of digital-everything, delivering reliable connectivity and differentiated digital experiences powered by a modern, intelligent network. We remain grateful to those who have shaped our journey.

We deeply appreciate the continued trust of our customers, partners, shareholders, and the Government, as well as the passion and resilience of our CDzens, who power our progress every day.

Thank you for being our loyal customers,

Albern

Albern Murty
Chief Executive Officer

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www.celcomdigi.com

CelcomDigi Berhad
Reg. No. 199701009694 (425190-X)

CelcomDigi Tower
No. 6, Persiaran Barat, Seksyen 52,
46200 Petaling Jaya, Selangor, Malaysia.

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