

## SLT Group Topline Surpasses Rs. 100 billion, Recording Rs. 12.2 billion Profit After Taxes

Colombo, February 17<sup>th</sup>, 2022 - Sri Lanka Telecom PLC (SLT) Group, the National ICT Solutions Provider, concluded the financial year 2021 on a high note, recording a turnover of Rs. 102.3 Bn for the year ended December 31, 2021 marking a topline growth of 12.3% year-on-year. The Group's sustained growth resulted in a Profit After Tax (PAT) of Rs. 12.2 Bn, a growth of 54.3% as compared to the previous year.

Group profits were propelled forward by robust performances by multiple business segments. The EBITDA of the Group grew at 16.6% during the period on the backdrop of Operating Profit growth of 19.0%. SLT's sustained investment on expanding fiber connectivity (FTTH) and significant expansions and upgrades in the 4G/LTE network resulted in the surge in Broadband revenue during the year. Further, SLT experienced a revenue growth in PEO TV in a market receptive to quality education and entertainment options online, expanding to hitherto untapped markets during the year under review. Xyntac, the Global unit of SLT-MOBITEL adds strength to the overall business, with the investment in the new SEA-ME-WE 6 cable, set to elevate Sri Lanka's global connectivity capacity to the next level. The state-of-the-art data center that bolsters the digital capabilities of SLT-MOBITEL, and the Akaza multi-cloud platform too continue to add value to the company.

**SLT Group Chairman, Rohan Fernando** stated, "Looking back on 2021, I can proudly say that we have achieved way beyond what we expected and closed the year with an all-time best record in every aspect may it be financial, corporate governance or above all else national responsibility. The principles we diligently adhered to on zero corruption, waste control, high efficiency and inclusive management has helped overcome all obstacles in 2021. Going forward our new direction will be in meeting competition and enticing customers towards the SLT Group. We will look at the transformation of our business from "Telco to Techno", to cover many aspects of technology directly involved with our business. Technology companies are the most powerful in the world driving economies and all services essentially required for human beings. We at SLT-MOBITEL are at the center of technology and best positioned to be a driving force in Sri Lanka."

Group revenue for Q4 2021 grew by 7.5% compared to the same quarter of the previous year to Rs. 25.7 Bn, with the EBITDA and Operating Profit growing by 21.3% and 34.8% respectively. The Group Profit After Tax (PAT) for the quarter climbed to Rs. 3.0 Bn, a 162.9% year-on-year growth.

"The past year was one of discovery and resilience, and one we were all fully invested in. Our growth in all areas is a testament to it. The SLT-MOBITEL brand unification propelled the

Group forward, enticing customers to embrace the National Service Provider and to trust in us to provide uninterrupted connectivity despite the challenges we faced as a country. The divesting of our non-core businesses has brought in good results and will now allow us single minded focus on our core businesses, allowing us to propel SLT Group's to the pinnacle of digital leadership. The Group is passionate to cement our leadership in the industry and meet the competition head on, and with a commitment to inclusive management, we will work as one team to achieve our business goals as SLT-MOBITEL." **Remarked SLT Group Chief Executive Officer Lalith Seneviratne.**

The holding company of the Group, Sri Lanka Telecom PLC (SLT) recorded an impressive 16.0% increase in revenue over the last year reaching Rs. 59.8 Bn. The PAT of the company went up to Rs. 5.9 Bn, reflecting a 45.9% year-on-year growth. The Company saw a heightened growth in revenues from Broadband, PEOTV and Carrier Domestic services during the year compared to the year before.

**SLT Chief Executive Officer, Janaka Abeysinghe** commented, "Our decision to boldly pursue digitalisation unabated during the pandemic, has stood us in good stead. The people depended on the national ICT solutions provider to give them uninterrupted domestic and global voice and data services and our ability to provide them with that has driven both topline and bottom-line growth in the company. We work to ensure the digital divide continues to shrink, capitalising on our growth with the support of our committed employees, to deliver the best for our customers."

Mobitel (Pvt.) Ltd., the mobile arm of the Group recorded its highest profits in its 28-year history with a PAT of Rs. 8.0 Bn. marking a growth of 63.8% in PAT year-on-year. The growth was mainly driven by the Broadband segment. Despite the adverse macroeconomic conditions and other challenges, Mobitel recorded a revenue of Rs. 47.1 Bn, a noteworthy 8.7% year-on-year growth compared to the previous year. Mobitel's post-paid voice revenue and international incoming Voice revenue too reported a considerable growth during the same period. EBITDA increased by 17.7% to Rs. 19.5 Bn, reflecting the growth in revenue and operational efficiencies.

"The Mobitel Team has diligently worked on ensuring it fulfills the need for essential mobile connectivity in Sri Lanka. It is gratifying to see the outstanding results of that hard work, especially given the less-than-ideal macroeconomic conditions we faced. As the only truly Sri Lankan mobile services provider, Mobitel is committed to provide our customers island-wide an enriching voice and data usage experience, ensuring a smooth digital journey for all." stated **Mobitel (Pvt) Ltd, Chief Executive Officer, Chandika Vitharena.**

SLT managed to lower its group level borrowings during the year under review. Further, the Group's Operating cash flows displayed a continuous improvement with a 22.8% increase

compared to the previous year. The Group stated that despite forex challenges in the country, the devaluation exposure to the Group was low, with SLT making gains on exchange due to prudent forex management.

The Group paid a total amount of Rs. 19.3 Bn as direct and indirect taxes including levies, and dividends to the Government of Sri Lanka during the financial year 2021.

Looking forward to the year ahead, SLT Group will leverage on the gains during this year, managed due to the Group's commitment to customer care and ensuring uninterrupted connectivity to keep the nation running. The Group expects the growth in broadband usage to continue as consumers settle into the new lifestyle. With consumer minded pricing and packages to cover multiple demographics, the Group is confident there will not be any decline in consumption even in a return to 'normalcy'. The Group's focus on supporting small and medium businesses explore growth in online and e-commerce businesses, coupled with SLT's reliability and automation solution stack is expected to enable a better marketplace and growth in the enterprise segment.