

SLT Group ends FY 2024 with significant turnaround in profitability

The SLT Group reported a massive turnaround in profitability as of December 2024, driven by strong operational performance and successful cost optimization across fixed and mobile segments, with momentum accelerating steadily during the year.

The Group recorded a Profit after Tax (PAT) of Rs. 3.1 billion for 2024, compared to a loss of Rs. 3.9 billion in 2023, representing a substantial turnaround of Rs. 7 billion. Annual revenue for the Group in 2024 grew by 4.4% to Rs. 111.1 billion, with Gross Profit showing robust growth of 19.6% to reach Rs. 46.1 billion.

The Group's focus on operational efficiency resulted in a 4% reduction in operating expenses to Rs. 71.2 billion, contributing to a 23.7% improvement in EBITDA to Rs. 40 billion and a considerable 172.8% increase in operating profit to Rs. 11.2 billion. Finance costs were also reduced by 20.5% to Rs. 9 billion, supporting the Group's outstanding turnaround.

SLT Group demonstrated strong financial performance with robust results in the fourth quarter. Revenue reached Rs. 29.1 billion, showing impressive growth of 11.9% compared to Q4 2023 and maintaining momentum with 1.8% sequential growth from Q3 2024. The quarter saw important improvements across key metrics for the Group, with gross profit rising to Rs. 12.9 billion, up 50% year-on-year, EBITDA growing to Rs. 11.5 billion, an increase of 28.9%, and operating profit more than doubling to Rs. 4 billion.

SLT Group's Q4 2024 also delivered a notable PAT of Rs. 2.4 billion, representing a significant improvement from the Rs. 1.1 billion in Q3 2024, a 115% growth and an even more dramatic turnaround from the loss of Rs. 1.2 billion in Q4 2023. The quarterly performance contributed to a strong finish for the year, showcasing the success of the Group's strategic initiatives in operational efficiency and cost management.

SLT Group remained a key contributor to the state revenues, delivering a total of Rs. 31.5 billion to the Government of Sri Lanka (GoSL) as taxes and levies during the year 2024.

At company level, SLT delivered steady growth as of December 2024 with an increase of revenue by 2.3% to Rs. 71.3 billion. The company's broadband segment grew by 5.4%, led by FTTH services, while enterprise revenue surged by 11.8%. Government sector and SME segments showed strong growth of 11.0% and 23.6% respectively. Cost optimization efforts yielded considerable results, with a 2.2% reduction in operating expenses, including notable savings in AMC costs and internet backbone charges. The company reported a net profit of Rs. 2.1 billion for the FY 2024.

SLT delivered a strong performance in the fourth quarter of 2024, with revenue reaching to Rs. 18.3 billion, representing a 3.9% increase compared to Q4 2023. The growth was primarily driven by multiple revenue streams, with broadband revenue increasing by 10.2%, led by FTTH services. The Enterprise sector revenue grew by 11%, supported by increased earnings from networking, Internet, and managed services. The government sector showed impressive growth of 14.3%, while the SME sector revenue rose by 20.9%.

During the quarter, the company's operational efficiency improved significantly, with operating profit growing by 17% to Rs. 1.8 billion, supported by effective cost management and a 4.6% reduction in depreciation. As a result, SLT recorded a net profit of Rs. 909 million for Q4 2024.

The Group's mobile segment, Mobitel, achieved a significant turnaround in 2024, with revenue growing 7.4% to Rs. 45.8 billion compared to 2023, driven by broadband growth. EBITDA margin improved

significantly to 30%, up 9 percentage points from 2023, reflecting both revenue growth and successful cost optimization strategies, further supported by a 4.9% reduction in operating costs through targeted optimizations across all functions including marketing, distribution and admin.

Mobitel reversed its operating loss, recording an operating profit of Rs. 2.9 billion in 2024 and achieving a positive net profit of Rs. 0.1 billion compared to Rs. 3.7 billion losses in 2023.

During Q4 2024, Mobitel delivered exceptional results with revenue growing 14.3% year-on-year to Rs. 12.3 billion. EBITDA rose by 137.1% to Rs. 4.6 billion, with margin improving to 37%. Operating profit showed substantial growth of 478% year-on-year to Rs. 1.8 billion, while net profit reached Rs. 1.2 billion, a 191.8% improvement. The quarter demonstrated strong momentum with 12.5% reduction in operating costs and continued improvement across all key metrics.

Cementing its position as the undisputed leader in mobile network performance, Mobitel emerged as Sri Lanka's fastest mobile network in the Ookla® Speedtest Awards™ for 2024. Coupled with 2024 financial results, the achievement demonstrates Mobitel's relentless push towards ensuring the widest coverage and the best experience for customers.

The SLT Group's 2024 results reflect successful execution of strategic initiatives focused on operational efficiency and digital transformation. The strong performance across both fixed and mobile operations demonstrates the Group's ability to meet evolving customer needs while maintaining cost discipline.

Laying the groundwork for 2025, SLT-MOBITEL is focused on expanding its digital services portfolio while maintaining operational efficiency to drive sustainable growth.