

SLT Group annual revenue surpasses Rs.100 Bn again, delivering healthy bottom line despite unprecedented economic and industry challenges

Colombo, February 19, 2023 - Sri Lanka Telecom Group (SLT Group), the National ICT Solutions Provider, posted impressive overall growth with annual revenue surpassing Rs 100 Bn once again, recording Rs 108 Bn for the financial year 2022.

This resulted in the Group recording a revenue increase of 5.2% for the financial year 2022, strengthened by a healthy bottom line of Rs 4,765 Mn Profit after Tax, enabling the Company to deliver on commitments to stakeholders against a backdrop of unprecedented macroeconomic and industry challenges.

Results at Group level is reflective of the transformational journey commenced in 2021 with a clear focus on operational efficiency through a consolidated business structure, optimisation of facilities, and cost efficiencies through the unified brand.

SLT Group Chairman, Rohan Fernando said, “2022 was a year of economic and social distress never witnessed before in the recent past in the country. Despite the tough operating environment and the many challenges unique to our industry, I’m proud to note that we have been able to stabilize the Group performance by infusing innovations into our core business and prudent cost saving measures. At the same time, learning to navigate through this volatile market conditions have placed the group in a strong position. Like any progressive business, transformation is critical to evolve and navigate challenging market conditions, to secure business sustainability and enable a future-ready workforce. We are firm in our resolve to realise our single-minded vision of transforming from a Telco company into a Techco (technology and communication) organisation to provide state-of-the-art solutions to individual customers, corporates, investors whilst supporting the growth of the country’s vital IT sector and enable socioeconomic progress. With business resilience, strategic management decisions and the capabilities of our 10,000 strong staff, we are confident we can leverage the opportunities, that are also presenting itself in this tough operating environment.”

At Company level, SLT Q4 revenues recorded a robust growth of 19.9% to Rs 18.1 Bn compared to the same period last year and more heightened growth with year-to-date figures indicating a 13% increase to Rs 67.6 Bn as against last year.

As a result, SLT company posted a strong Profit after Tax of Rs. 8,463 Mn for the financial year 2022 with a 44.3% increase compared to last year .

The key YoY revenue drivers were the increases in Carrier Domestic, Broadband and Carrier International revenue streams. Additionally, due to the devaluation of the Sri Lankan Rupee since March 2022, the company registered a substantial foreign surplus.

The Group's Operating Profit for Q4 showed a growth of 5.1% to Rs 3 Bn against the previous quarter.

Quarter on Quarter (QoQ) performance was stronger compared to last year, increasing 16% at Rs 3 Bn. But due to the impact of the weak economic and business environment throughout the financial year the operating profit for the year declined to 9.6% at Rs 12.5 Bn compared to 2021.

The Group's Operational Cost significantly grew last year due to rupee devaluation, inflation and rising interest rates, and stood at Rs 67.7 Bn for the financial year 2022.

Further some subsidiaries including Mobitel (Pvt.) Ltd., the mobile arm of the Group, that faced heavy forex losses during this period, did impact and curb the growth of the Group last year.

During the last three years, the technological and communication needs of the country have witnessed tremendous acceleration and change. The responsibility of SLT-MOBITEL, in meeting the present and future demands, has become critical now more than ever as SLT-MOBITEL is also the sole backbone service provider for uninterrupted technical and communication operations of institutions and sectors that are vital for the country. The stability and performance of the organization therefore is critical during this time and all organizational decisions are made considering this national responsibility.