

“Breaking Digital Frontiers”

Group

Performance Highlights



Service Revenue¹

Rs 3,441 Million

+12.9%

Rs 3,048 Million - 31 Dec 23



EBITDA²

Rs 1,739 Million

+16.2%

Rs 1,497 Million - 31 Dec 23



Underlying Operating Profit⁴

Rs 848 Million

+22.5%

Rs 692 Million - 31 Dec 23



Underlying Profit Before Tax⁵

Rs 599 Million

+23.5%

Rs 485 Million - 31 Dec 23

Reporting year - Year ended 31 December 2024

Rs 909 Million

+14.8%

Rs 792 Million - 31 Dec 23

Rs 473 Million

+17.4%

Rs 403 Million - 31 Dec 23

Rs 235 Million

+22.4%

Rs 192 Million - 31 Dec 23

Rs 178 Million

+31.9%

Rs 135 Million - 31 Dec 23

Key Ratios

EBITDA Margin on Revenue¹

46.2%

43.7% - 31 Dec 23

EBITDA Margin on Net Revenue³

51.8%

49.2% - 31 Dec 23

Underlying Operating Profit⁴ Margin

22.5%

20.2% - 31 Dec 23

Capital Expenditure to Revenue Ratio¹¹

26.9%

55.0% - 31 Dec 23

Net Debt to EBITDA¹²

2.1x

2.4x - 31 Dec 23

Key Segment Metrics

Rs Million	The Group					Total
	Telecommunication business	FinTech business	Space economy business	Consolidation adjustments		
Revenue						
Reporting year	31 Dec 24	3,688	23	53	-	3,764
	31 Dec 23	3,425	8	18	(29)	3,422
EBITDA						
Reporting year	31 Dec 24	1,785	(55)	40	(31)	1,739
	31 Dec 23	1,570	(56)	14	(31)	1,497
Revenue						
Reporting quarter	31 Dec 24	1,020	8	13	3	1,044
	31 Dec 23	931	4	11	(14)	932
EBITDA						
Reporting quarter	31 Dec 24	500	(14)	10	(23)	473
	31 Dec 23	430	(13)	9	(23)	403

Condensed Statements of Profit or Loss	The Group				Condensed Statements of Financial Position	
	Audited Year ended 31-Dec-24 Rs 000	Audited Year ended 31-Dec-23 Rs 000	Unaudited Quarter ended 31-Dec-24 Rs 000	Unaudited Quarter ended 31-Dec-23 Rs 000	The Group Audited As at 31-Dec-24 Rs 000	The Group Audited As at 31-Dec-23 Rs 000
Continuing operations						
Service revenue ¹	3,441,369	3,047,648	908,600	792,018	5,126,848	5,142,928
Non service revenue ¹	321,741	374,570	135,210	138,758	783,986	876,076
Revenue¹	3,763,110	3,422,218	1,043,810	930,776	183,386	218,132
Net revenue¹	3,356,732	3,043,755	898,086	798,586	1,412	1,229
EBITDA ²	1,739,115	1,496,700	473,232	403,347	6,095,632	6,238,365
Depreciation and amortisation	(891,333)	(804,803)	(237,860)	(211,414)	1,012,023	965,669
Underlying operating profit⁴	847,782	691,897	235,372	191,933	402,128	-
Solidarity levy on revenue	(39,919)	(53,193)	(11,344)	(14,493)	151,800	151,800
Other gains and losses ⁶	216,004	104,110	93,086	29,674	577,633	922,252
Other one off transactions ⁷	(152,796)	(5,823)	(47,964)	(5,823)	75,900	72,890
Operating profit	871,071	736,991	269,150	201,291	(76,587)	(237)
Net finance costs ⁸	(248,628)	(206,671)	(57,215)	(57,400)	728,746	1,146,705
Profit before tax	622,443	530,320	211,935	143,891	(1,030,768)	(1,030,768)
Tax expense ¹³	(185,541)	(157,472)	(59,976)	(45,693)	(302,022)	115,937
Corporate Climate Responsibility Levy	(49,642)	-	(5,524)	-	2,564,135	3,261,497
Profit for the period from continuing operations	387,260	372,848	146,435	98,198	4,718,390	3,261,497
Discontinued operations					2,564,135	3,826,600
(Loss)/ Profit for the period from discontinued operations	(111,142)	(58,347)	(24,999)	576	529,280	-
Profit for the period	276,118	314,501	121,436	98,774	7,509,783	7,204,034
Other comprehensive income for the period	5,173	43,296	4,916	43,296	-	-
Total comprehensive income for the period	281,291	357,797	126,352	142,070		
Total comprehensive income attributable to :-						
Owners of the parent	357,641	406,239	152,863	154,907		
Non-controlling interest	(76,350)	(48,442)	(26,511)	(12,837)		
	281,291	357,797	126,352	142,070		

Condensed Statements of Cash Flows	The Group			
	Audited Year ended 31-Dec-24 Rs 000	Audited Year ended 31-Dec-23 Rs 000		
Net cash generated from operating activities	1,897,907	1,528,909		
Net cash used in investing activities	(1,067,815)	(1,618,598)		
Net cash used in financing activities	(644,273)	(396,773)		
Net increase / (decrease) in cash and cash equivalents	185,819	(486,462)		
Net foreign exchange difference	(6,586)	(9,839)		
Cash and cash equivalents at 01 January	275,989	772,290		
Cash and cash equivalents at end of the year	455,222	275,989		

Condensed Statements of Changes in Equity	The Group			
	Owners of the parent Rs 000	Common control reserves ¹⁰ Rs 000	Non-controlling interest Rs 000	Total Equity Rs 000
Audited				
At 1 January 2023	1,286,763	(1,030,768)	48,205	304,200
Profit for the year	361,401	-	(46,900)	314,501
Other comprehensive income	44,838	-	(1,542)	43,296
Total comprehensive income	406,239	-	(48,442)	357,797
Dividends	(546,060)	-	-	(546,060)
At 31 December 2023	1,146,942	(1,030,768)	(237)	115,937
Audited				
At 1 January 2024	1,146,942	(1,030,768)	(237)	115,937
Profit for the period	350,652	-	(74,534)	276,118
Other comprehensive income	6,989	-	(1,816)	5,173
Total comprehensive income	357,641	-	(76,350)	281,291
Dividends	(699,250)	-	-	(699,250)
At 31 December 2024	805,333	(1,030,768)	(76,587)	(302,022)

Basis of Preparation
At end of the reporting year, the net debt amounted to Rs 3.64 billion with an average maturity year of 3.40 years. Finance costs have increased in the reporting year compared to the last reporting year due to additional borrowings contracted. The average cost of debt was 4.37% for the reporting year compared to 4.92% for the last reporting year. The average cost of debt is lower than last reporting year following the successful refinancing of short term bridging loans during the reporting year.

Group Financial Performance Review
Revenue¹: + 10.0% growth
The Group reported a 10.0% increase in revenue from continuing operations for the year ended 31 December 2024 ("reporting year"), rising to Rs 3.76 billion compared to Rs 3.42 billion for the year ended 31 December 2023 ("last reporting year") and reported a 12.1% increase for the quarter ended 31 December 2024 ("reporting quarter"), rising from Rs 930.8 million to Rs 1.0 billion compared to the quarter ended 31 December 2023 ("last reporting quarter").

Service Revenue¹: + 12.9% growth
Service revenue¹ increased by 12.9% for the reporting year compared to the last reporting year and by 14.8% for the reporting quarter compared to the last reporting quarter. Service revenue¹ growth is led by the good performance in the data segment, including mobile data, home internet and enterprise services on the back of both customer growth and ARPU growth.

EBITDA²: +16.2% growth
EBITDA² grew by 16.2% to Rs 1.74 billion in the reporting year compared to the last reporting year and by 17.4% to Rs 473 million in the reporting quarter compared to last reporting quarter. This improvement is mainly attributed to revenue growth and cost optimisation, which translated into a 260 basis point increase in our EBITDA Margin on Net Revenue¹, from 49.2% to 51.8%.

Underlying operating profit⁴: +22.5% growth
In the reporting year, underlying operating profit grew to Rs 848 million but excludes other one off transaction costs of Rs 153 million and other gains and losses amounting to Rs 216 million.

The other one off transactions relate mainly to (i) costs associated with the initial public offering, (ii) Emtel 35th anniversary bonus paid to staff, (iii) legal costs incurred for the case heard in January 2024 at the Privy Council (where a judgement was obtained in favour of Emtel) and (iv) the special allowance commonly referred to as 14th month bonus which was paid upfront.

The other gains and losses relate to mainly the gains realised on the swap of telecom equipment.

Profit for the period from continuing operations
The Group has recognized the impact of the Corporate Climate Responsibility Levy ("CCR Levy") enacted under the Finance Act 2024 on 27 July 2024. The impact of the CCR Levy is Rs 50 million comprising of 41 million on recognition (one-off) of its effects on deferred tax liability and Rs 9 million payable for the reporting year. Had the CCR Levy not been introduced, the profit after tax would have been Rs 437 million for the reporting year compared to Rs 373 million for the last reporting year and Rs 152 million for the reporting quarter compared to Rs 98 million for the last reporting quarter.

Considering the CCR Levy, our profit after tax for the reporting year stood at Rs 387 million compared to Rs 373 million for the last reporting year and Rs 146 million for the reporting quarter compared to Rs 98 million for the last reporting quarter.

- Revenue** comprise of service revenue and non service revenue. Service revenue is of a recurring nature and comprise of revenues from usage of mobile data, voice, sms, home internet, enterprise services and similar recurring revenues. Non service revenue comprise of sales of devices and tower rentals.
- EBITDA** is earnings before interest, tax, depreciation, amortisation, and excluding other one off transactions and solidarity levy on revenue.
- Net revenue** comprise of revenue less directly related costs; interconnect costs and cost of devices.
- Underlying operating profit** is operating profit before solidarity levy on revenue, other gains and losses and other one off transactions.
- Underlying profit before tax** is profit before tax adjusted for solidarity levy on revenue, other gains and losses and other one off transactions.
- Other gains and losses** comprise of profit on disposal of asset among others.
- Other one off transactions** are exceptional and not recurring in nature.
- Net finance costs** comprise of interest on bonds, loans, overdraft and lease liabilities pertaining to right of use of assets, and foreign exchange gains and losses.
- OCI** refers to the other comprehensive income where unrealised gains and losses are recorded.
- Common control reserves** represent business combination transaction under common control under IFRS 3.
- Capital Expenditure** represents the additions to property, plant, equipment and intangible assets during the period. Capital Expenditure to Revenue Ratio is calculated by dividing the capital expenditure with revenue for the same period.
- Net Debt** represents the total debts excluding leases less cash and cash equivalents. Net Debt to EBITDA is calculated by dividing the Net Debt at end of the period by the EBITDA for the last 12 months.
- Tax expense** comprises of corporate income tax, corporate social responsibility fund and solidarity levy.