

Where Life Syncs



Where Life Syncs

SLT-MOBITEL integrates seamlessly into the daily lives of Sri Lankans, aligning technology with individual needs, convenience, and connections. Through our evolving portfolio of services, from mobile, broadband, entertainment, cloud, and smart solutions, we empower people and businesses to thrive. We are with you: syncing with your aspirations, moments, and progress, ensuring every experience is connected, effortless, and future-ready.



Contents

Introduction 3-14

- 3 About Our Integrated Report
- 4 About Us
- 7 Strengthening Sri Lanka's Digital Backbone
- 9 Financial Highlights
- 10 Performance Highlights
- 11 Our Group Structure
- 12 Awards and Recognitions

Executive Statements 15-22

- 16 Group Chairman's Review
- 20 Chief Executive Officer's Review

Business Context and Strategy 23-35

- 24 Business Model
- 26 Operating Context
- 30 Strategy
- 32 Materiality
- 33 Stakeholders

Business 36-50

- 37 Finance
- 43 Our Infrastructure
- 47 Intellectual Resources

Environment 51-56

- 52 Environment

Social 57-92

- 58 Social
- 59 Customers
- 69 Portfolio Review
- 75 Our Global Brand
- 76 Employees
- 87 Partners and Suppliers
- 90 Community and Country

Governance 93-131

- 94 Board of Directors
- 100 Executive Management
- 105 Corporate Governance
- 120 Report of the Board Audit Committee
- 123 Report of the Remuneration Committee
- 124 Report of the Nomination and Governance Committee
- 127 Report of the Related Party Transactions Review Committee
- 128 Forensic and Compliance
- 129 Enterprise Risk Management

Financial Reports 132-208

- 133 Annual Report of the Board of Directors on the Affairs of the Company
- 138 Statement of Directors in Relation to their Responsibility for the Preparation of Financial Statements
- 139 Auditor General's Report
- 143 Statement of Profit or Loss and Other Comprehensive Income
- 144 Statement of Financial Position
- 146 Consolidated Statement of Changes in Equity – Group
- 147 Consolidated Statement of Changes in Equity – Company
- 148 Consolidated Statement of Cash Flows
- 149 Notes to the Financial Statements

Supplementary Information 209-224

- 210 Ten Year Progress – Group
- 211 Investor Information
- 213 Portfolio of Lands
- 221 GRI Index
- 223 Abbreviations
- 224 Notice of Annual General Meeting
- Enclosed – Form of Proxy
- Inner Back Cover – Corporate Information



Scan to view the interactive PDF of
Sri Lanka Telecom PLC Annual Report 2024



About Our Integrated Report

The 12th Integrated Annual Report of Sri Lanka Telecom PLC (SLT) provides a comprehensive and balanced analysis of the Company's performance for the financial year ending 31 December 2024. This Report evaluates SLT's financial, Environmental, Social, and Governance (ESG) aspects, using relevant performance indicators for a holistic discussion. It builds on insights from the 2023 Annual Report, which remains accessible at www.sltmobitel.lk.

Reporting Framework

The Report adheres to regulatory requirements and incorporates voluntary frameworks, ensuring compliance and transparency in presenting SLT's overall performance.

Regulatory Compliance

- Companies Act No. 07 of 2007
- Continuing listing requirements of the Colombo Stock Exchange (CSE)
- Financial Reporting Standards issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)
- Sri Lanka Telecommunications Act No. 25 of 1991, as amended by the Sri Lanka Telecommunications (Amendment) Act No. 27 of 1996 and the licence conditions.

Voluntary Standards

- Integrated Reporting Framework (International Integrated Reporting Council – IIRC)
- GRI Standards (Global Reporting Initiative)
- Corporate Governance Code (CA Sri Lanka)

Scope and Coverage

This Report encompasses both financial and non-financial aspects of Sri Lanka Telecom PLC and its subsidiaries, collectively referred to as the Group. References to SLT or the Company denote the parent entity.

The Report aligns with the Integrated Reporting Framework, outlining operations, financial standing, and performance while addressing value creation strategies across financial, social, and environmental dimensions. However, external uncertainties such as market volatility and economic conditions may impact forward projections. Stakeholders are encouraged to interpret the insights prudently, keeping in mind the inherent unpredictability of business dynamics.

Assurance and Verification

Financial Statements: Verified by Ernst & Young

Non-Financial Information: Assured by the Chief Executive Officer (CEO) and relevant management authorities, under the supervision of the Auditor General.

Readiness for SLFRS S1 and S2

SLT has initiated the process of identifying, assessing, and disclosing sustainability-related risks, and related discussions, in line with guidelines for SLFRS Sustainability Disclosure Standards (S1 and S2) published by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka); based on the IFRS Foundation's S1 and S2 standards.

Risk-related processes and disclosure fall within the ambit of the Group's established Enterprise Risk Management (ERM) function, and extend to Board and Board Committee oversight. These risk-governance structures are well-integrated with SLT's core business and operations.

In 2024, initial disclosure and discussion of sustainability-related risks encompasses a number of social and governance-related risks, which have the potential to affect the Group's performance. These are detailed in the Enterprise Risk Management (ERM) section on page 129. They include preliminary discussions on sustainability-related risks such as data-privacy, data-security, human resource management, regulatory changes, and technological advancement.

The section on Employees on pages 76 to 86 expands this discussion with details of the Group's strategies, governance structures, and processes to manage and mitigate employee-related risks. This includes how SLT drives employee engagement, manages and retains talent, and fosters a culture of recognition and employee development.

The overview presented by the Chairman and CEO on pages 16 to 22, together with the ESG discussions on pages 52 to 119, and the section on the Group's Infrastructure on pages 43 to 46 and Intellectual Resources on pages 47 to 50; detail SLT-Mobitel's vision, commitment, and approach to managing concerns related to regulatory compliance, cybersecurity, and technological advancement.

Forward-looking Statements

The report contains forward-looking statements, outlining SLT's strategic goals, growth projections, and future expectations. However, technological changes, market trends, and regulatory shifts could cause actual results to differ. SLT does not assume responsibility for updating these projections but advises stakeholders to exercise caution when interpreting future outlooks.

Commitment to Sustainability

SLT integrates the Precautionary Principle, emphasising environmental responsibility in accordance with Principle 15 of the Rio Declaration on Environment and Development. The Company prioritises sustainable practices, risk mitigation, and eco-friendly business operations, demonstrating its commitment to long-term environmental stewardship.

Report Responsibility and Endorsement

The Senior Management and Board of Directors of SLT oversee the preparation and review of this Report, ensuring accuracy and objectivity. This 2024 Annual Report is formally endorsed by the Board of Directors, affirming their responsibility for presenting a fair and transparent view of SLT's performance.

Dr Mothilal de Silva
Chairman

Chandrasiri Kalupahana
Audit Committee Chairman

Janaka Abeysinghe
Chief Executive Officer



Feedback on this report can be directed to:

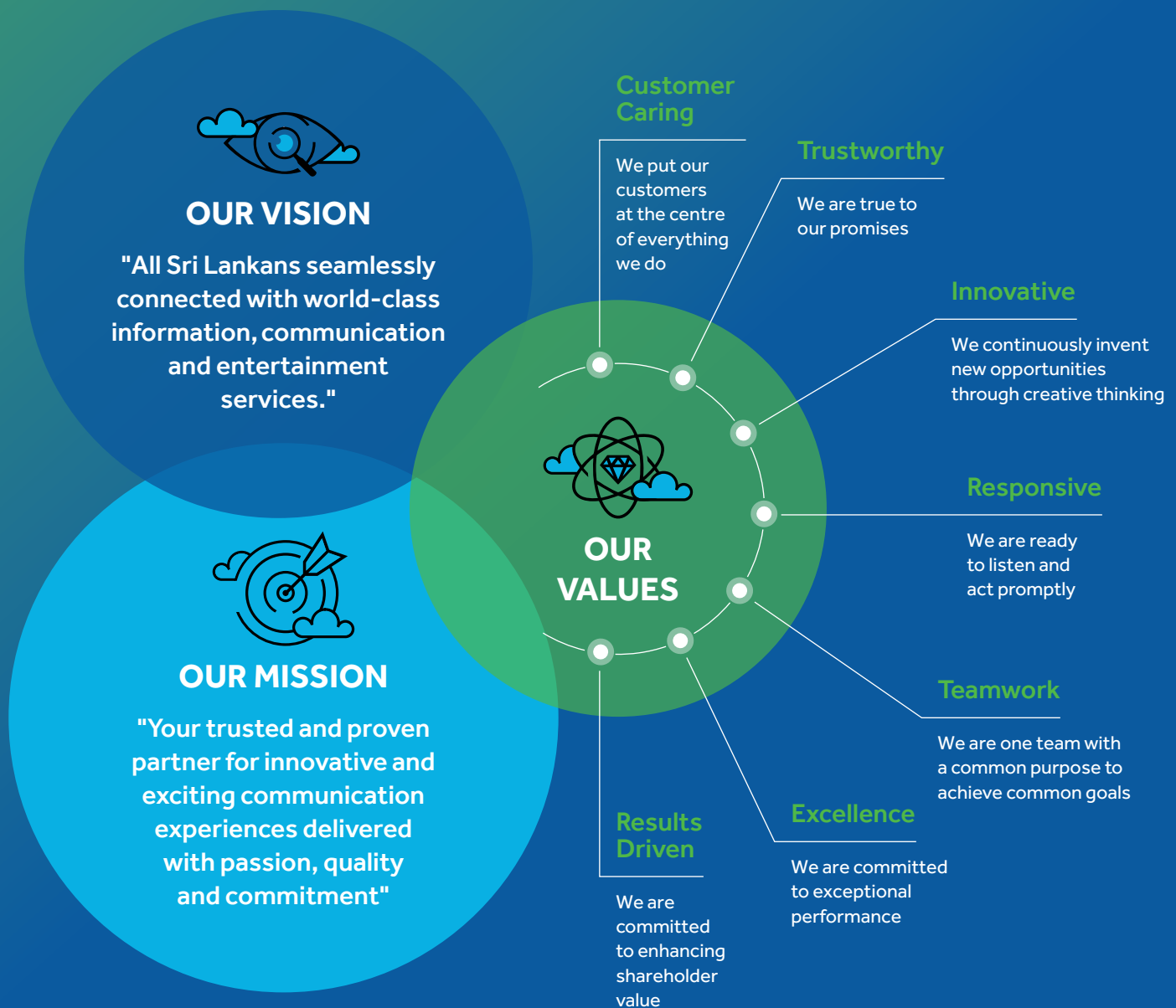
Mr Mahesh Athukorale
Group Company Secretary
Sri Lanka Telecom PLC
Lotus Road,
Colombo 01,
Sri Lanka
Tel: +94 11 239 9478
Email: mathukorale@slt.com.lk

About Us

Sri Lanka Telecom PLC (SLT) is the country's premier National ICT Solutions Provider, delivering a broad spectrum of services including fixed and mobile communications, high-speed broadband, cloud, data centre solutions, and enterprise ICT services. With a strong focus on innovation, we continue to drive digital transformation and enable inclusive, connected lifestyles across Sri Lanka.

Our comprehensive suite of services caters to domestic customers, government institutions, and private sector enterprises alike, with an unwavering commitment to reliability and excellence. We ensure round-the-clock support through our 24/7 customer service, reinforcing our dedication to delivering seamless and responsive ICT experiences.

Our global operations are powered by SLT's international business arm, which positions the company as a key digital gateway between Asia, the Middle East, and Europe. SLT is a proud member of leading submarine cable consortiums including SEA-ME-WE 4, SEA-ME-WE 5, and the upcoming SEA-ME-WE 6, which is expected to commence commercial operations by the end of 2026 strengthening our role in global connectivity and international bandwidth delivery.



About Us

➡ Sri Lanka Telecom PLC: Driving Digital Transformation and Connectivity

In the ever-evolving telecommunications landscape, Sri Lanka Telecom PLC (SLT) continues to lead innovation and connectivity, offering cutting-edge communication solutions that go beyond conventional services. Our comprehensive and future-ready portfolio spans fixed and mobile telephony, high-speed broadband, data services, IPTV, cloud computing, data centre solutions, cybersecurity, IoT platforms, and advanced enterprise networking. Through continuous investment in digital infrastructure and technology, we empower sectors across the economy from education and healthcare to government and industry.

With a rich legacy spanning generations, SLT has been a key force in revolutionising Sri Lanka's telecommunications industry, playing a pivotal role in propelling the nation's digital evolution. From humble beginnings, the Company has grown into the leading telecom provider, offering comprehensive, customer-centric solutions tailored to meet the needs of individuals and businesses. SLT's commitment to innovation, reliability, and customer satisfaction has helped build trust and forge long-lasting partnerships across the country.

As the Company embraces emerging technologies and pushes the boundaries of connectivity, its mission remains clear: to empower people, businesses, and communities with seamless, high-quality telecommunications services.

➡ Industry Recognition and Awards

SLT continued to strengthen its position in 2024 as a trailblazer in Sri Lanka's telecommunications and digital infrastructure landscape. As the National ICT Solutions Provider, our unwavering commitment to excellence, innovation, and service quality earned us several prestigious accolades during the year.

We were recognised for our industry leadership, customer-centric approach, and contributions to advancing digital connectivity across the country. Our dedication to sustainability was also acknowledged through awards that celebrated our Environmental, Social, and Governance (ESG) initiatives, highlighting our focus on responsible and inclusive growth.

These honours reflect our strategic ambition to empower communities through technology, enhance national connectivity, and set benchmarks for service excellence. They are a testament to the commitment of our people, the trust placed in us by our customers, and the strength of our governance and values.

➡ Shaping Sri Lanka's Digital Future

Throughout the fiscal year, SLT has remained committed to expanding digital access, strengthening its network infrastructure, and enhancing customer-focused services. As the industry undergoes rapid changes, SLT continues to pioneer digital lifestyle solutions, ensuring Sri Lankans stay connected in an increasingly digital world.

This Report provides insights into SLT's strategic initiatives, technological advancements, and future roadmap, reaffirming its role as a key player in shaping Sri Lanka's digital landscape with resilience, foresight, and an unwavering commitment to excellence.

About Us



Strengthening Sri Lanka's Digital Backbone

➔ Unmatched Connectivity and Digital Backbone

As Sri Lanka's National ICT solutions provider, SLT plays a crucial role in enabling nationwide communication and connectivity. With a subscriber base of approximately nine million across fixed, mobile, and ICT services, SLT not only connects individuals and businesses but also strengthens the broader telecommunications value chain through cutting-edge solutions. The Company serves a diverse customer base, including households, SMEs, Enterprises, multinational corporations, essential services, public sector institutions, and other telecom operators.

In the entertainment sector, SLT's PEOTV leads the market with Sri Lanka's largest High-Definition (HD) content library and remains the only provider of local free-to-air HD channels on its platform.

➔ Expanding Digital Access

With over 1.3 million fixed subscribers, SLT continues to expand and maintain the country's communications infrastructure, ensuring seamless access to world-class information, communication, and entertainment services.

➔ Sri Lanka's Digital Backbone

SLT operates Sri Lanka's most advanced fibre-optic network, encompassing a nationwide footprint with over 1.2 million Fibre-to-the-Home (FTTH) ports. This state-of-the-art infrastructure delivers high-speed, low-latency connectivity, supporting millions of users.

As the operator of Sri Lanka's largest IP network, SLT's infrastructure comprises multiple 100 Gbps backbone connections, metropolitan rings, and more than 500 high-capacity network nodes. These elements collectively provide seamless and intelligent IP transport services. SLT's network underpins a wide range of services - including FTTH, PEOTV, fixed-line, wireless, and mobile offerings - catering to government, enterprise, carrier, and international segments. This comprehensive digital ecosystem continues to play a pivotal role in advancing Sri Lanka's digital transformation.



➔ Ensuring Network Reliability and Security

In an increasingly interconnected and digital-driven world, SLT prioritises network security and reliability. The Company integrates intelligent Automatically Switched Optical Network (ASON) technology and a 1+2 redundancy system, ensuring uninterrupted operations and robust cybersecurity.

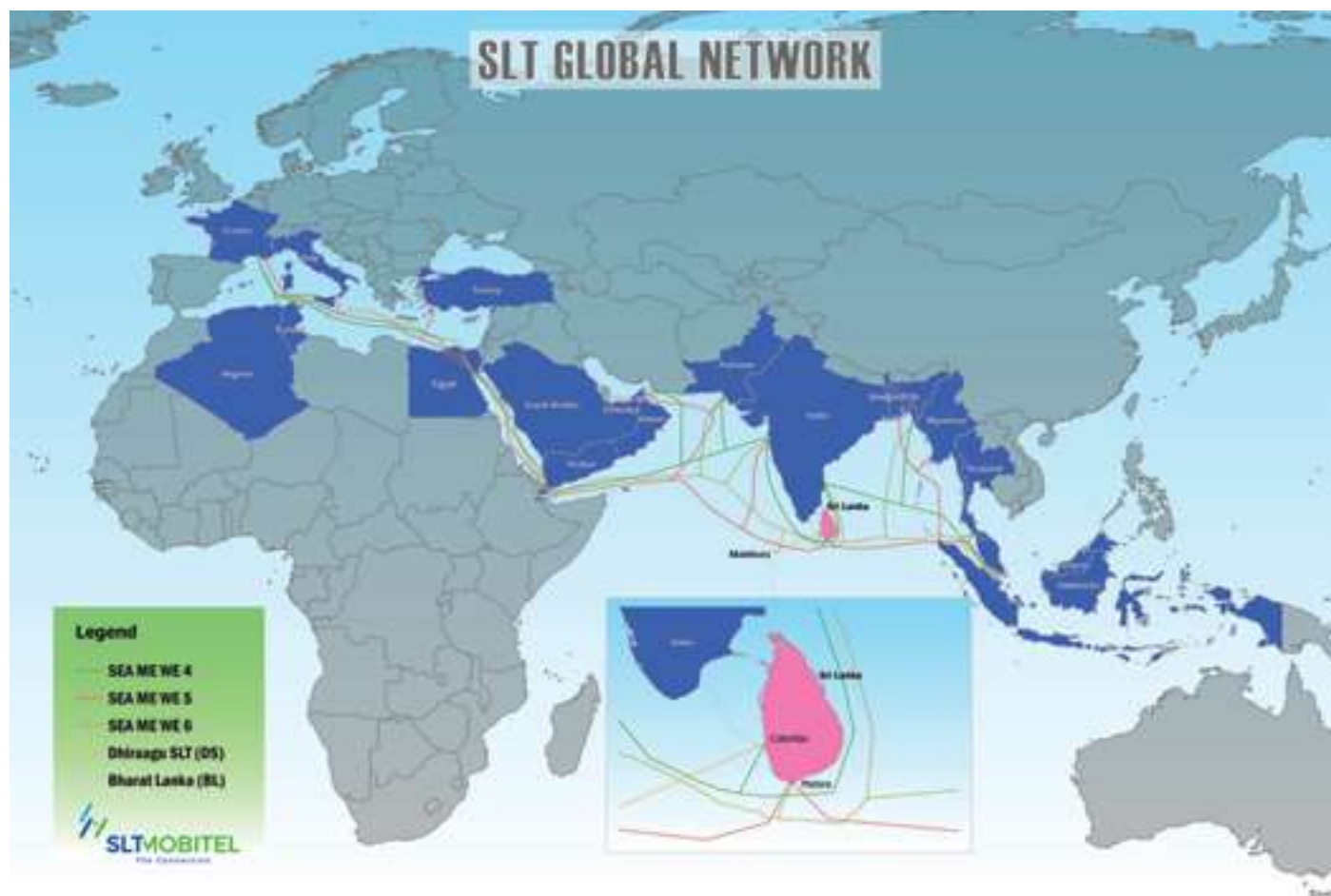
➔ Future-Ready Connectivity

As Sri Lanka moves towards AI, IoT, cloud computing, and 5G, the demand for fast, scalable connectivity is growing. SLT is fully prepared to meet these evolving digital needs, positioning itself as a key enabler of the country's technological advancements.

SLT plays a critical role in connecting Sri Lanka to the global digital economy through the operation of four international submarine cable systems: SEA-ME-WE 4, SEA-ME-WE 5, Bharat Lanka, Dhiragu-SLT, and as an investment the upcoming SEA-ME-WE 6 new cable system is scheduled to be commissioned by the end of 2026. The capacity upgrade of SEA-ME-WE 4, along with planned enhancements to SEA-ME-WE 5, significantly bolsters Sri Lanka's international bandwidth and resilience. These strategic initiatives ensure robust, high-capacity global connectivity – enabling sustained growth in communication, cloud services, and data-driven industries.

SLT's strong focus on innovation and infrastructure development positions the Company as a key enabler of Sri Lanka's digital economy. By providing advanced connectivity solutions, SLT empowers both businesses and individuals to meet the demands of a rapidly evolving digital future.

Strengthening Sri Lanka's Digital Backbone



The SEA-ME-WE 6 submarine cable, set for completion in 2026, will land at SLT's Matara Cable Landing Station, further strengthening Sri Lanka's international connectivity. With a design capacity of 10x13 Tbps, SLT has secured 6 Tbps, ensuring high-speed, high-capacity data transmission for consumers, businesses, and the broader economy. This, combined with SLT's expanded international backhaul capacity, will create a resilient global backbone, supporting 5G deployment and Sri Lanka's ongoing digital transformation.

🕒 Expanding Data Centre and Cloud Capabilities

SLT's state-of-the-art data centres and multi-cloud solutions play a pivotal role in meeting Sri Lanka's growing digital service demands. By working with local companies and global tech partners, SLT is strengthening the tech ecosystem in Sri Lanka, contributing to the country's goal of becoming a regional digital hub. SLT's National Data Centre and other facilities offer secure, scalable solutions, including disaster recovery, to businesses across various sectors. The Company plans to further invest in these capabilities to meet future demand.

🕒 Investment Plans and Future Strategies

SLT is committed to making strategic investments in 5G technology and further expanding its national network to future-proof Sri Lanka's digital economy. The Company plans to enhance its coverage, optimise existing resources, and explore partnerships to ensure growth in the coming years. SLT is well-positioned to remain a leader in enterprise telecommunications and capitalise on emerging technologies such as IoT, AI, and cloud computing.

In conclusion, SLT's extensive infrastructure, commitment to innovation, and strategic investments in the digital economy make it a vital contributor to Sri Lanka's national development and future growth.

Financial Highlights

(All amounts in Sri Lanka Rupees million)

	2024 LKR Mn.	2023 LKR Mn.	Change %
Group			
Revenue (External)	111,148	106,418	4.4
– Fixed	65,028	63,637	2.2
– Mobile	44,390	41,103	8.0
– Others	1,730	1,678	3.1
EBITDA	41,020	33,003	24.3
Operating profit	11,189	4,102	172.8
Profit/(loss) before tax	6,037	(2,651)	327.7
Profit/(loss) after tax	3,120	(3,921)	179.6
Earnings Per Share (LKR)	1.73	(2.17)	179.6
Current assets			
Current receivables	30,733	32,015	-4.0
Other investments, cash and cash equivalents	9,414	12,494	-24.7
Other current assets	4,567	5,770	-20.8
Use of EBITDA			
Profit/(loss) before tax	6,037	(2,651)	327.7
Net interest cost	7,892	9,607	-17.9
Depreciation and amortisation	29,831	28,901	3.2
EBITDA margin	37%	31%	6.0
Company			
Revenue	71,309	69,711	2.3
EBITDA	26,227	23,614	11.1
Operating profit	7,289	5,081	43.5
Profit/(loss) before tax	3,020	(1,611)	287.5
Profit/(loss) after tax	2,113	(1,132)	286.7
Earnings Per Share (LKR)	1.17	(0.63)	286.7

Performance Highlights

REVENUE

LKR 111.1 Bn.

2023 – LKR 106.4 Bn.

EARNINGS PER SHARE

LKR 1.7

2023 – (LKR 2.17)

TOTAL LIABILITIES

LKR 147.6 Bn.

2023 – LKR 158 Bn.

TOTAL ASSETS

LKR 239.1 Bn.

2023 – LKR 246.3 Bn.

TAXES AND LEVIES PAID TO THE GOVERNMENT

LKR 31.5 Bn.

2023 – LKR 31.9 Bn.

EBITDA MARGIN

37%

2023 – 31%

VALUE OF PROPERTY, PLANT, AND EQUIPMENT (PPE)

LKR 172.6 Bn.

2023 – LKR 174.5 Bn.



Solar power generation systems with a total installed capacity of **2920 kW** was added



293+ physical touchpoints across the island



8,050+ workforce strength (Group)
(2023 – 8,200+)



26%+ Female representation
(2023 – 25%)



176 new recruitments
(2023 – 25)



23 hours of training per employee (average)
(2023 – 22 hours)



Stablished ESG strategic committee and policy to streamline the ESG initiative alien to the global stranded



2,000 units of energy efficient lighting and

180 energy efficient ACs were installed



SLT is championing a unified licensing framework to streamline operations and enable quad-play services (fixed-line, mobile, internet, and TV).

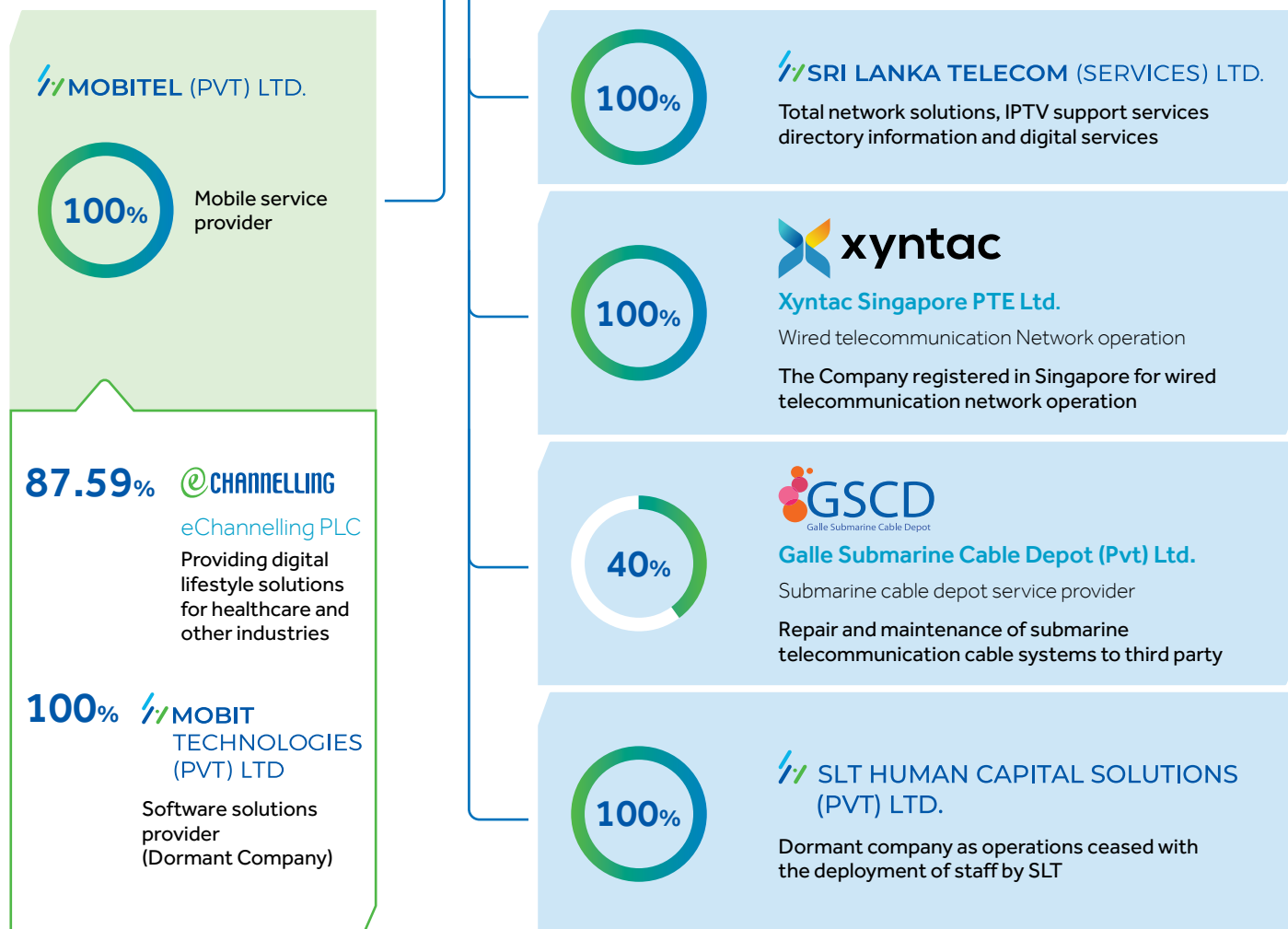


Member of SEA-ME-WE 6 consortium



To ensure efficient and effective customer service, 50% of the interactions received by the contact centre are managed through automated channels, primarily via the IVR system and the KITO chatbot for immediate resolution.

Our Group Structure



Awards and Recognitions



Awards received during 2024 – SLT

1 National Project Management Excellence Awards 2024

- (i) Gold Award – The Aisle: Best Managed Project in AI and Data Science
- (ii) Gold Award – GrowMentor: Best Managed Project in Agriculture and Livestock Development Sector
- (iii) Gold Award – Park n Pay: Best Managed Project in ICT Networks and Communications
- (iv) Silver Award – SenseGrid: Best Managed Project in Manufacturing Sector
- (v) Silver Award – Duthaya Mobile App: Best Managed Innovative Project
- (vi) Silver Award-Fully-fledged mobile application for the Sri Lankan Embassy in the UAE: Best Managed Project in ICT Services Solutions

2 National Business Excellence Awards 2024

Runner-up – Utility and Infrastructure Development category

3 SLASSCOM Ingenuity Awards 2024

- (i) Best Innovative Product/Project in Manufacturing – SenseGrid (National Scale)
- (ii) Best Innovative Product/Project in Manufacturing – SenseGrid (Western Province)

4 TM Forum Digital Transformation World – DTW24 IGNITE

Open Innovation Outstanding Catalyst – GenAI Powered toolkit for Network and Service Management

5 ARC Awards 2024

- (i) Gold Winner – Illustrations: Telecommunications
- (ii) Honours – Specialised A.R: Integrated AR and ESG

6 National Best Quality ICT Awards (NBQSA) 2024

- (i) Silver Award – Industrial – Manufacturing category
- (ii) Bronze Award – Sustainability and Environment category
- (iii) Merit Award – ICT Service Solutions category

7 LMD Awards 2024

SLT-MOBITEL recognised among the 25 outstanding corporates

Awards and Recognitions



8 SAFA Best Presented Annual Report Awards

Certification of Merit – Communication and Information Technology Sector

9 TAGS Award

Gold Award – Telecommunications and Technology sector (The Institute of Chartered Accountants of Sri Lanka)

10 Pearson BTEC Higher Education Forum 2024

SLT Nebula Institute of Technology received the International Level 3 and Level 5 Higher National Recognition Award for 2023.

Awards received during 2024 – Mobitel

11 Best Moonshot Catalyst – Growth Challenge

The project SmartHive xG

12 Ookla Speed Test Awards –

Fastest Mobile Network – Mobitel

13 SLIM Brand Excellence Awards 2024

Bronze Award – Online Brand of the Year – eChannelling

Certifications: A Commitment to Excellence

SLT's extensive certifications reflect its commitment to continually evolving and enhancing its processes and services to meet global standards. Key certifications include:

Certifications received by SLT

- (i) ISO/IEC 22301:2019 – Business Continuity Management System (BCMS)
- (ii) ISO 9001:2015 – Quality Management System (QMS)
- (iii) ISO/IEC 27001:2022 – Information Security Management System (ISMS)
- (iv) ISO 31000:2018 – Risk Management Framework



At Sri Lanka Telecom PLC, leadership is defined by vision, integrity, and a steadfast commitment to national progress. As the National ICT Provider, our leadership team drives innovation, digital inclusion, and sustainable growth ensuring we remain at the forefront of Sri Lanka's digital transformation. Guided by strategic foresight and a deep sense of responsibility, we continue to empower communities, businesses, and government services through resilient, future-ready connectivity solutions.

Executive Statements

16

Group Chairman's
Review

20

Chief Executive
Officer's Review



Group Chairman's Review

Our vision for innovative leadership does not end with transformation of our own business.

Dr Mothilal de Silva
Chairman SLT Group



Group Chairman's Review

Customer experience remains a cornerstone of our transformation strategy. We are leveraging AI-driven analytics, predictive maintenance, and real-time network optimisation to enhance service reliability and minimise disruptions.

Dear Shareholders,

The year 2024 has been a defining period for Sri Lanka Telecom (SLT), marking a decisive turnaround despite persistent macroeconomic challenges. As a key enabler of the country's digital transformation, we have demonstrated resilience, financial prudence, and strategic foresight in navigating economic adversities while fortifying our position as a driver of sustainable growth. Through disciplined cost management, revenue diversification, and continued technological innovation, SLT has not only regained momentum but has also reinforced its role in shaping Sri Lanka's digital future.

A National Asset Thriving for Sri Lanka's Future We are proud to announce that SLT has achieved a strong profit in the first quarter of 2025, overcoming significant challenges and proving its resilience as a cornerstone of Sri Lanka's telecommunications sector. Once marked for divestment, this organization is now being safeguarded by the new government as a vital national asset. We are committed to transforming SLT into a sustainably managed enterprise that will serve generations to come, delivering world-class connectivity and innovation.

🕒 Strengthening Financial Resilience and Driving Growth

The economic downturn of 2022–2023 presented formidable challenges, particularly for capital-intensive industries such as telecommunications, where currency depreciation and rising infrastructure costs exerted substantial pressure on operations. However, through prudent financial stewardship, stringent cost optimisation, and a sharp focus on high-growth revenue streams, SLT successfully countered these headwinds.

After Group revenue dipped the previous year, 2024 saw both SLT and Mobitel regain a growth trajectory. Consequently, Group revenue expanded by 4.4%, with SLT's revenue increasing by 2.3% YoY. Revenue growth during the year was driven primarily by enterprise, government, SME, and international business segments. Enterprise revenue saw substantial growth, propelled by heightened demand for internet leased lines and managed services. Government business strengthened due to strategic public-sector projects, while SME revenues surged on the back of increased adoption of internet leased lines and customised SME

solutions. International revenue exhibited a notable uptrend, underpinned by a rise in off-net earnings. These developments have strengthened our position as the undisputed leader in the enterprise space, serving enterprise customers including an extensive network of government institutions, some of Sri Lanka's largest corporates, and groundbreaking startups and SMEs that are turning to SLT to boost their competitive position.

Cost rationalisation played an equally pivotal role in our financial resurgence. Operational expenditures declined as a result of a series of strategic efficiency measures, including reduced maintenance and repair expenses, a decrease in electricity costs following tariff reductions, and a meticulous focus on optimizing resource allocation. Concurrently, at Mobitel, enhanced operational efficiencies and effective yield management initiatives in the prepaid segment drove broadband revenue growth, effectively offsetting the decline in voice services. The convergence of these efforts resulted in a significant expansion in operating profits, positioning SLT for sustainable long-term financial stability.

🕒 Value Creation and Financial Discipline

Our financial strategy remains centered on maximising return on capital and ensuring robust cash flow generation. With capital markets easing, we took decisive steps to restructure our long-term loan portfolio, ensuring greater financial flexibility. Simultaneously, our capital investment strategy was recalibrated, prioritizing high-yield, short-term payback projects and streamlining capital expenditure based on rigorous ROI assessments. These measures contributed to a substantial improvement in liquidity, enabling SLT to reduce its debt obligations significantly. While net debt settlements were achieved at SLT level, Mobitel continues to carry a measured level of borrowing to support growth-oriented initiatives.

Group Chairman's Review

📶 Expanding Sri Lanka's Digital Presence

Leveraging a strategic location, we believe Sri Lanka has the potential to be a pre-eminent regional traffic exchange and digital nerve-centre; playing a pivotal role in empowering the government's ambitious digitalisation programme.

In 2024, we took concrete steps to strengthen our Nation's connectivity toward this vision, building on the foundation of five undersea cable landing stations we manage and our five strategically located, purpose-built, state-of-the-art data centres that are available to serve customers. Our internationally connected data centers are primed to offer secure, high-performance hosting services to Sri Lankan enterprises competing on a global stage. This robust international position is complemented by a global network of Points of Presence (POPs) across Europe, Africa, Hong Kong, and Singapore.

Our Tier 3 certified data centres are underpinned by SDN architecture with ISO 27001 certification for Information Security and ISO 9001 certification for quality; offering digitally-enabled enterprises with the best systems for Disaster Avoidance (DA) and Disaster Recovery (DR). We recently enhanced our capabilities by upgrading our platform from OpenStack to OpenShift, enabling us to offer cutting-edge Platform-as-a-Service (PaaS) solutions, leveraging Kubernetes; the ideal solution for hosting applications in today's digital economy, which require scalability and agility. We have also forged new strategic partnerships with global cloud hyperscalers such as Microsoft and Amazon, which expands our reach and service offering.

This exceptional experience we provide customers, through our robust data centre offering, resulted in an impressive 23% growth in government business, for data centre and local cloud, while enterprise revenue surged by 11.8% in 2024.

As Sri Lanka's premier digital infrastructure provider, SLT also continues to make strategic investments in expanding local network capabilities. The country's largest fibre-optic backbone, which serves as the National Backbone Network, now extends to 1.2 million households, reinforcing our commitment to nationwide connectivity. Our deployment of 400 new 4G LTE base stations has further strengthened mobile broadband accessibility, ensuring digital inclusivity for millions.

We also took steps to strengthen the Lanka Government Network (LGN), which connects all government institutions and schools, and made significant strides in establishing the Lanka Government Cloud (LGC); which offers data sovereignty via local data hosting at internationally accepted security standards. This is an area where we are eager to support the government's future endeavours.

📶 Leadership in Innovation and Customer Experience

Facilitating Sri Lanka's digitalisation journey involves prioritising our own internal evolution. Which is why we are igniting intrapreneurship and embedding agile development across our organisation; forging an innovation-led path towards a future-proof enterprise. Our efforts in 2024 and 2025 are pioneering network and IT infrastructure convergence among all our subsidiary companies, and pursuing service excellence and enhanced customer experience through innovative use of AI technology.

Customer experience remains a cornerstone of our transformation strategy. We are leveraging AI-driven analytics, predictive maintenance, and real-time network optimisation to enhance service reliability and minimise disruptions. Our digital-first approach includes personalised self-service portals, AI-powered customer support, and advanced troubleshooting capabilities, ensuring a seamless and intuitive user experience.

Innovation is at the heart of our transformation agenda – internally and externally. Our dedicated innovation hub, The Embryo, continues to pioneer cutting-edge digital solutions even as our collaborations with local and global innovators further strengthen our capabilities in cloud computing, data management, and advanced enterprise applications; enabling us to deliver unparalleled digital experiences to our customers.

We have recently executed a slew of new in-house developments for customers – including an award-winning IoT project, SenseGrid and numerous other applications that are revolutionising call-centre management, queue-management, and workflow automation.

While our intrapreneurship efforts foster internal ingenuity, our Entrepreneurship Studio drives active collaboration with external entrepreneurs. We do this by strengthening ties with academia and industry, aligned with the government's digitalisation vision, to build a collective ecosystem beyond SLT; delivering commercially viable, technologically advanced solutions that have the potential for significant economic and industrial impact. One of our most notable developments, with a multiplicity of benefits, is the IoT-powered Fazenda Smart Agriculture platform; which has empowered Sri Lanka's farming community and earned multiple accolades.

Our vision for innovative leadership does not end with transformation of our own business. We uphold a strategic vision to bolster home-grown digital-first businesses, startups, innovative enterprises, and digitally-savvy youth who have the potential to shape Sri Lanka's future.

We recently concluded the finale of SLIoT Challenge 2023/24, organised by the University of Moratuwa and Institute of Engineers of Sri Lanka (IESL) - powered by SLT. The SLIoT Challenge is Sri Lanka's largest IoT event, focusing on bringing future

Group Chairman's Review

creators of IoT to the forefront of innovation. The event showcased creativity and young talent from schools, universities, and the wider innovation environment; highlighting game-changing innovations, and a number of marketable IoT solutions that could transform our Nation for the better.

We are committed to championing similar programmes that are uplifting and empowering youth and students. These are part of our ambition to foster ideation, entrepreneurship, and innovation, and to help Sri Lanka build a robust startup ecosystem.

🔄 Sustainability and Environmental Responsibility

Sustainability is deeply embedded in SLT's corporate philosophy. Our ESG strategy is anchored in three core pillars Environment, Education, and Health aligning with the United Nations Sustainable Development Goals. We have made significant strides in reducing our environmental footprint by integrating energy-efficient solutions into our network infrastructure and deploying 419 renewable energy-powered sites, collectively generating nearly 2920kW of clean energy. Our proactive waste recycling initiatives further underscore our commitment to environmental stewardship. With a long-term vision of achieving net-zero emissions by 2040, we remain steadfast in our commitment to fostering a greener, more sustainable future.

I believe that building a collaborative ecosystem to create shared value is a fundamental element of sustainability. Key strategic investments we have made, include expansion of the high-bandwidth 2.6GHz 4G network with 1,000 RAN-sharing sites, thereby delivering superior connectivity and a seamless digital experience to customers. We are committed to infrastructure sharing, number portability, and the upcoming RAN sharing initiative, which was greenlit by the TRCSL. These will create numerous growth opportunities for the entire industry, and allow operators to better manage energy demand and sustainability concerns against the need for network expansion. Beyond the significant environmental benefits,

energy-saving, and emission reduction; cooperation such as this can also reduce CAPEX and OPEX for all players, and eventually accelerate the rollout of new technologies that would transform the lives of millions of Sri Lankans.

🔄 Future Outlook: 2025 and Beyond

Looking ahead, SLT is strategically positioned to drive the next wave of digital transformation in Sri Lanka. Key growth levers for 2025 and beyond include the continued expansion of our fibre network, deeper integration of AI and automation technologies, and a shift towards holistic digital solutions rather than standalone products. We are actively aligning our investments with the rapid digitalisation of enterprises and government services, ensuring that SLT-Mobitel remains at the forefront of Industry 4.0 innovations.

From an infrastructure standpoint, our primary focus remains on expanding broadband connectivity across Sri Lanka. We are committed to extending our 4G coverage beyond the current 90% and actively participating in the Gamata Sannivedanaya (Connect Sri Lanka) project spearheaded by the Telecommunications Regulatory Commission (TRC). This vital initiative is making high-speed internet access a reality for every citizen across the Island; working to bridge the digital divide and consistent with the government's intention of fostering a digital economy.

We are also actively engaged in building a strong business-case for 5G technology in line with its massive future-potential for industries and communities. We will be taking a targeted and strategic approach to deployment of 5G infrastructure with prudent investments and optimal resource allocation that aligns with demographic and segmented opportunities. We believe this next-generation of connectivity will play a pivotal role in Sri Lanka's future growth, enabling businesses and industries to harness the power of AI, IoT, and cloud-computing on an altogether new scale.

While government ownership remains an integral part of our corporate identity, we continue to explore strategic partnerships that will enhance innovation, infrastructure sharing, and network expansion. By optimising asset utilisation and maintaining financial discipline, we are steadfast in our commitment to delivering long-term value to our stakeholders.

🔄 A Message of Gratitude

The year 2024 has been a landmark chapter in SLT's journey, defined by resilience, transformation, and strategic growth.

I extend my heartfelt appreciation to our employees, whose dedication and expertise remain the driving force behind our success. I also express my deepest gratitude to our Board of Directors for their strategic vision and unwavering support in steering SLT toward a future-ready digital enterprise.

To our valued customers and shareholders, your trust and confidence inspire us to push the boundaries of innovation and excellence. Together, we will continue to lead Sri Lanka's digital revolution, driving economic progress and shaping a connected future.

As we embark on the next phase of growth and transformation, we do so with a spirit of ambition, confidence, and an unrelenting commitment to building a digitally empowered Sri Lanka.



Dr Mothilal de Silva
Chairman

Chief Executive Officer's Review

Once the 5G spectrum is commercially available, we expect to roll out 5G services in Sri Lanka, that will solidify our position as a leader in Sri Lanka's digital transformation.

Janaka R Abeysinghe
Chief Executive Officer



Chief Executive Officer's Review

Looking ahead, SLT is uniquely positioned to leverage the expanding digital economy and the significant opportunities presented by government initiatives.

🕒 Economic Resilience and Strategic Adaptation

Sri Lanka's economy demonstrated signs of resilience, with the World Bank projecting a 3.5% growth for 2025. However, the road to recovery has not been without challenges. A sustained strain on disposable incomes led to cautious consumer spending, with many choosing to defer new services. Nevertheless, the enterprise sector showed notable growth, particularly in FTTH broadband and government-driven initiatives, providing a solid foundation for SLT's future strategic positioning.

🕒 Operational Excellence Amidst Challenges

In a year marked by economic uncertainties, SLT demonstrated resilience through strategic cost optimisation and operational efficiency, achieving a profit of over LKR 2 Bn. Mobitel achieved a 7% increase in revenue, underscoring our ability to retain and grow our customer base in a competitive market.

Our financial success was primarily driven by several key initiatives, including renegotiating Annual Maintenance Contracts (AMCs), streamlining our supply chain, and repurposing disconnected equipment. Additionally, the reduction in electricity tariffs, the strengthening of the rupee, and lower interest rates all played a pivotal role in enhancing our profitability. These actions helped us deliver a strong financial outcome despite a challenging macroeconomic environment.

🕒 Adapting to Market Consolidation and Global Forces

The year 2024 witnessed significant shifts in Sri Lanka's telecom industry, including major market consolidation and intensified competition from global players. The merger between Dialog and Airtel has reduced the number of mobile operators to three, creating a more concentrated competitive environment. In the fixed-line sector, SLT maintains a dominant position. Following the exit of Lanka Bell, we successfully integrated Lanka Bell's enterprise customers, enhancing our market position in the process.

Moreover, the growing influence of global hyperscalers, who are heavily investing in submarine cable infrastructure and content creation, introduces new competitive dynamics. In response, SLT has strategically aligned itself with Independent Software Vendors (ISVs), ensuring we stay at the forefront of technological developments. These partnerships are vital as we continue to play an integral role in Sri Lanka's digital transformation.

🕒 Expanding Our Leadership in the Digital Economy

Looking ahead, SLT is uniquely positioned to leverage the expanding digital economy and the significant opportunities presented by government initiatives. As Sri Lanka embraces digitalisation, SLT's robust

infrastructure and technological capabilities solidify our role as a key enabler in this national transformation.

The upcoming 5G spectrum allocation expected in 2025 represents a critical opportunity for SLT to lead the market in delivering high-speed, low-latency connectivity, especially in urban centres and for enterprise applications. Our pre-commercial trials in Colombo, Kandy, Galle, Anuradhapura, and Jaffna have equipped us with valuable insights, ensuring we are ready to deploy world-class 5G services. Additionally, the introduction of Number Portability will open up fresh opportunities for customer acquisition, further strengthening our market share.

SLT is also focused on advancing emerging technologies, such as Artificial Intelligence (AI), the Internet of Things (IoT), and robotics, all of which hold significant potential for applications in automation, smart cities, and cloud computing. Our evolution from a traditional telecom operator (Telco) to a leading tech company (Techco) underscores our commitment to driving Sri Lanka's digital future and expanding our role in global connectivity.

🕒 Paving the Way for a Digital Future

As SLT looks towards the future, we remain steadfast in our commitment to strengthening infrastructure and fostering innovation. Our collaboration with government initiatives to build a digital economy necessitates secure, high-performance connectivity, and SLT is prepared to meet these demands with cutting-edge technology and services.

We have been investing in expanding our optical fiber network, 4G mobile & Fixed Wireless Access Networks, Data Centers and Cloud platforms. Once the 5G spectrum is commercially available, we expect to roll out 5G services in Sri Lanka, that will solidify our position as a leader in Sri Lanka's digital transformation. Additionally, SLT is set to play a pivotal role in the development of IoT services and robotics for automated industries, unlocking new opportunities for enterprise solutions, high-performance networks, and cloud services.

Chief Executive Officer's Review

🕒 **Fostering a High-Performance Workforce**

SLT is dedicated to developing a skilled and innovative workforce through its education arm Nebula Institute of Technology, which provides both employees and the community with advanced education in fields such as IT, robotics, and data science. Our HR strategy, rooted in the vision "Our People are Our Customers' Advantage," aligns with SLT's goal to drive digital transformation. This approach ensures that our employees are equipped with the right skills to innovate and enhance customer success. Programmes like the Smart Technician and Smart Sales Officer initiatives foster a multi-skilled workforce, enabling SLT to meet evolving technological demands and maintain a competitive edge in the market.

🕒 **Strengthening Sustainability and ESG Commitment**

SLT has deepened its commitment to sustainability by joining the UN Global Compact (UNGCC) Network Sri Lanka in 2024, aligning our operations with international principles on human rights, labor, environment, and anti-corruption. In line with our ESG efforts, we established a dedicated ESG committee to oversee and integrate sustainability into our core operations. As part of our continued commitment to sustainability, SLT expanded its solar power capacity by 2,920 kW in 2024, with an additional 2,480 kW scheduled for implementation by the end of 2025. Additionally, in response to climate change, we have partnered with the Department of Forests to launch a Mangrove Restoration Project, covering 4.2 hectares of abandoned shrimp farms in Pubudugama, Wanathavilluwa, over a five-year period. Through these efforts, SLT reinforces its commitment to the UN's sustainable development goals, contributing to both environmental and community welfare.

🕒 **Acknowledgements**

In closing, I would like to extend my sincere appreciation to our dedicated employees, whose unwavering commitment has been instrumental in navigating the complexities of 2024. Our achievements would not have been possible without the guidance of our Board of Directors, as well as the continued trust of our loyal customers. To our shareholders, thank you for your steadfast confidence in SLT. We remain focused on creating long-term value and delivering sustainable returns on your investment. Finally, I would like to express my heartfelt thanks to our esteemed partners, government counterparts, and the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) for their continued support as we work together toward a more connected future.



Janaka R Abeyasinghe
Chief Executive Officer

Business Context and Strategy

24

Business
Model

26

Operating
Context

30

Strategy

32

Materiality

33

Stakeholders



Business Model

INPUTS



BUSINESS

FINANCE

- Total Group equity capital LKR 91.5 Bn. (adequate to withstand any business downturns)
- Good liquidity position with short-term investments

INFRASTRUCTURE

- Investment in property plant and equipment LKR 30 Bn.
- 4 international submarine cable systems
- 4,000 wireless infrastructure base stations



ENVIRONMENT

- Reductions in energy use through better management and energy saving
- ISO Certifications
- Strategic approach to ESG
- 419 solar powered sites (including Mobitel initiatives)
- Circularity
- Mangrove restoration



SOCIAL

CUSTOMERS

- 1.3 million Fixed line subscribers
- 293 omni-channel/multiple choices of touchpoints (physical, digital channels etc.)
- 7.1 million Mobile subscribers
- Customer Experience Management officers

EMPLOYEES

- 8,000+ dedicated workforce across the Group
- SLT-Mobitel Nebula Institute of Technology – Facilitates NVQ-accredited pathways enabling employees to uplift future talent
- Healthy industry relations

PARTNERS, SUPPLIERS, STRATEGIC ALLIANCES

- Strong dealer network
- Strategic alliances and joint ventures
- Robust global and local partner and supplier ecosystem
- Partners for social work

CONTRIBUTING TO THE COMMUNITY

- Empowering youth
- Engaging with schools



GOVERNANCE

GOVERNANCE, SYSTEMS, AND COMPLIANCE

- Unified brand image and service offering
- Investment Governance Process
- Growing innovation platform
- Comply to Tel. act, RTI act, etc.
- Certified systems and processes meeting international standards (ISO/IEC 22301:2019, ISO 9001:2015, ISO/IEC 27001:2013, ISO 18295-1:2017)
- Data governance policies
- Integrating SLT and Mobitel
- Established audit committee

VALUE CREATION ACTIVITIES AND



Provision of comprehensive offering

Entertainment (IPTV), enterprise and digital services (cloud computing and hosting services, networking solutions)

Reliable and assured services



Ongoing product development

New product and solution development based on changing customer needs; providing greater flexibility, reliability, and cost-effectiveness



Enhancement and extension of infrastructure, reach, and service

Fibre speeds increased to 300mbps
Expansion of data centres Migration from 3G to 4G/5G Bundled packages for different product lines Introduction of ipv6 handling larger No. of Ips New extended-reach products: Duthaya, ProConnect, and HitFlix.

Business Model

OUTPUTS



Integration of cutting-edge technology

Committed to driving Sri Lanka's digital transformation through responsible and cutting-edge technology



Fairness in all stakeholder engagements

Committed to climate resilience through sustainable operations Guided by strong ethical business practices, ensuring long-term value creation for both society and the environment.



Exceptional employee value-proposition

Diversity and inclusion in the workplace.

Focus on career progression and capacity building.

OUTCOMES

Stable financial results

- Good liquidity position with short-term investments
- Group revenue LKR 111.1 Bn.
- Group gross profit LKR 46.1 Bn.

Reliable infrastructure and connectivity

- LTE capacity expanded by 200 base stations
- Expansive geographical reach
- Provision of backbone services to other operators

Environmental conservation

- Reduced environmental footprint of services: Waste management best-practices, energy-saving and energy efficiency measures, ongoing shift to renewable energy
- Community environmental awareness raised

Outstanding customer value

- Services and offers catering to customer needs – convenience, flexibility, and reliability
- Innovative solutions for enterprise customers – enabling management of mission-critical infrastructure and applications through data centres with reliability, security, and scalability
- Expanding cloud services and offering enabling enterprises to increase agility, provide quick service deliveries, maximise cost-efficiency and ROI, and increased scalability
- Thousands of customers utilising innovative healthcare solutions: eChannelling
- Continually increasing value of customer digital financial transactions through mCash
- Continued improvements in reliability, data-privacy, datasecurity, and cyber-security

Empowered employees

- Improved employee job satisfaction, career opportunities, and loyalty
- Assured job security
- Local hiring for critical needs providing employment opportunities
- Competitive and attractive remuneration and benefits to employees
- Upgrade knowledge and skills

Results of partnerships

- Synergies from partnerships with local and international technology Companies
- Growth through partnerships with other commercial organisations

Social contribution

- Creating job opportunities
- Schools empowered through digitalisation programmes
- Youth upskilling through targeted programmes
- Equal opportunity to access for education

Strengthen governance processes

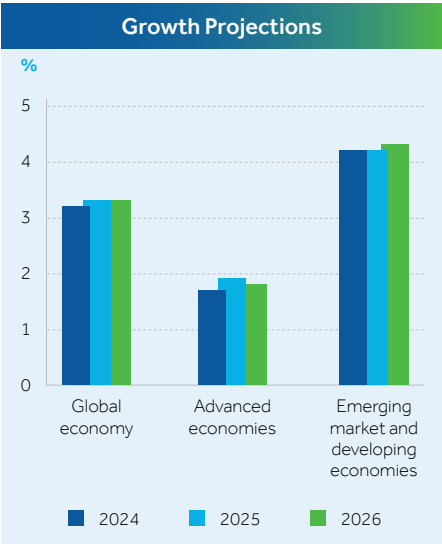
- Ensuring accountability
- Enhance transparency
- Commitment to sustainability
- Fostered greater trust among stakeholders

Operating Context

This analysis delves into Sri Lanka Telecom PLC's (SLT) operational framework against the backdrop of global economic shifts, technological advancements in international telecommunications, and Sri Lanka's evolving socioeconomic dynamics. The insights highlight growth opportunities and challenges shaping SLT's trajectory in the coming year.

🕒 Global Economic Outlook: Slow Yet Steady Progress Ahead

Global GDP growth is projected to stabilise at 3.3% in 2025 and 2026 as per the International Monetary Fund (IMF). Cyclical imbalances have eased since the beginning of the year, leading to better economic alignment with potential output in major economies. Global headline inflation is also expected to fall to 4.2% in 2025 and further dropping to 3.5% in 2026, with advanced economies returning to inflation targets sooner than emerging and developing economies. However, growth prospects appear insufficient to offset the damages done to global economy by several years of negative shocks, as highlighted in the World Bank's Global Economic Prospects report. Structural challenges and persistent uncertainties continue to weigh on the recovery of both advanced and developing economies, suggesting that while progress is steady, the road ahead remains uncertain.



🌐 Geopolitical Dynamics Reshaping Telecommunications Infrastructure in Asia Pacific

Geopolitical tensions are profoundly transforming the telecommunications sector, particularly in the Asia Pacific region. The ongoing technological competition between major powers like the United States and China has led to significant disruptions in telecom infrastructure, with countries reevaluating supply chains and investment strategies. For instance, China's aggressive semiconductor technology investments and mandates to remove foreign chips from domestic networks underscore an escalating technological "Cold War" that impacts global telecom ecosystems.

The geopolitical landscape is also reshaping telecommunications through strategic policy decisions and infrastructure investments.

Recent policy shifts under President Trump's second administration have intensified these dynamics. The US reinstated strict export controls on semiconductors, revoking licenses for companies like Intel and Qualcomm to supply advanced chips to Chinese firms. Additionally, the administration expanded trade restrictions, imposing a rapidly rising tariffs on China culminating in a 145% tariff on April 9, 2025. China has responded with retaliatory tariffs of 125%. One of the most high-profile cases reflecting these tensions is the U.S. government's renewed push to ban TikTok over national security concerns. In February 2025, the Biden-era order requiring TikTok's parent company, ByteDance, to divest its U.S. operations was upheld, though the deadline for compliance has been extended amid legal challenges. TikTok has temporarily returned to U.S. app stores while negotiations continue, highlighting the ongoing uncertainty surrounding Chinese technology firms operating in Western markets. The U.S. has also pushed for deeper cooperation among the "Quad" nations (Australia, India, Japan, and the U.S.) to counter China's growing dominance in 5G and undersea cable infrastructure.

These tensions manifest in various ways, including spectrum auction regulations, undersea cable control, and careful navigation of international technological collaborations. The economic strain from these political pressures has already impacted markets, leading to declining smartphone shipments in countries like Thailand and the Philippines, and creating a complex regulatory environment that influences 5G network deployment and regional connectivity.

🌐 Sri Lankan Economic Outlook: Signs of Stabilisation and Growth Ahead

Sri Lanka's economy is expected to grow by 3.9% in 2025 with faster than expected economic stabilisation, after a growth of 5.0% in 2024 and a cumulative contraction of 23.7% over 2021-23, the World Bank stated in its January update. Several indicators point to the realisation of this optimistic scenario.

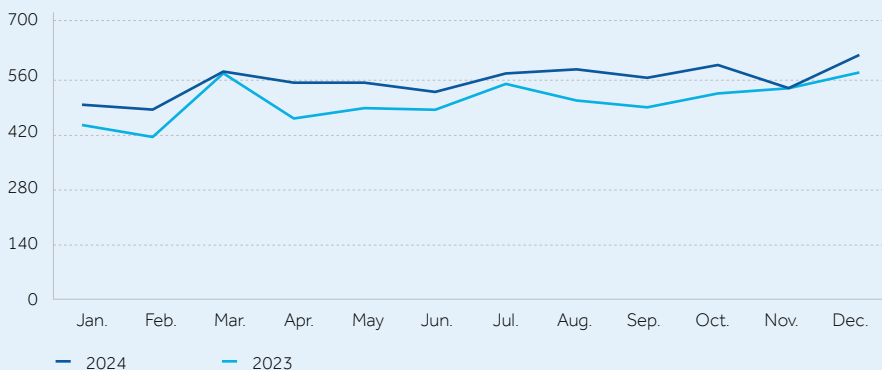
🕒 Improved Forex Situation

At the end of 2024, Sri Lanka's gross official reserves reached USD 6.1 Bn., as per official data. This increase was supported by loans from multilateral lenders, including the swap facility with the People's Bank of China and swap and credit facility provided by the Reserve Bank of India.

Operating Context

Worker's Remittances – Inflows

USD Mn.



During 2024, remittances to Sri Lanka through official channels increased by 10% to USD 6.6 Bn., up from USD 6.0 Bn. the previous year. The rise was facilitated by continued monthly inflows of remittances by workers abroad.

Sri Lanka tourism sector has experienced tremendous growth, with earnings exceeding USD 3.2 Bn., and the arrival of over 2 million tourists during 2024. Sri Lanka Tourism has set ambitious goals for 2025, aiming to attract 3 million tourists and generate USD 5 Bn. in revenue. Additionally, the long term strategy aims to increase arrivals to 4 million and generate annual revenue of USD 8.5 Bn. by 2030.

➡ Global Telecom Industry: Rapid Data Growth and Evolving Challenges

The global telecommunications sector, valued of USD 1.5 Tn., contributes approximately 2.5% to the overall global Gross Domestic Product (GDP), as per McKinsey Global Institute. Growing at an impressive annual growth rate of 5%, this industry is outpacing global economic growth, signalling substantial opportunities ahead.

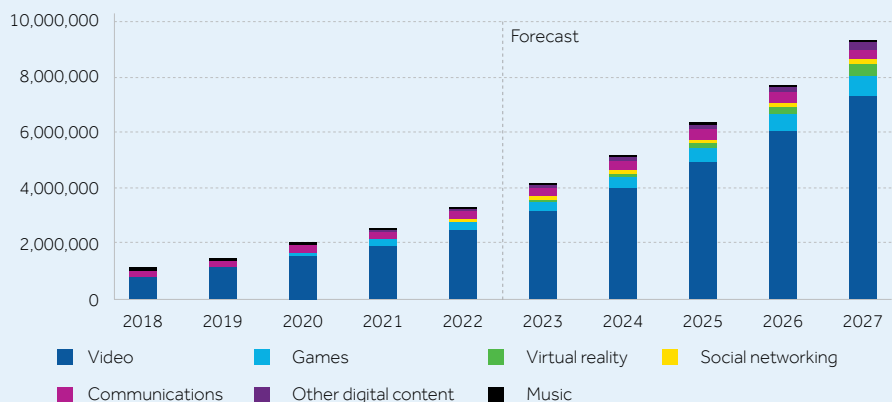
A significant driver of this growth is the surge in data demand. As per the PricewaterhouseCoopers (PwC) first Global Telecom Outlook 2023-2027, global data consumption is projected to nearly triple, from 3.4 Mn. petabytes (PB) in 2022 to 9.7 Mn. PB in 2027, largely fuelled by data traffic. To support this expansion, telecom companies are expected to invest USD 342.1 Bn. in their networks by 2027, driven by the ongoing adoption of 5G and emerging technologies.

Gaming-related data consumption is anticipated to grow at a 21% Compound Annual Growth Rate (CAGR) between 2022 and 2027, reflecting the continued shift towards online and cloud gaming. Virtual reality (VR) data usage is expected to surge even faster, with a projected CAGR of around 43% in over the five-year time frame will see its share of total data consumption reach 5% by 2027, driven by the growth of the metaverse.

However, despite escalating data demand, telecom operators face challenges in revenue growth due to the commoditised nature of data services, which doesn't allow for differentiating the offer. This holds true for telecom operators such as SLT as well, highlighting the need for innovative strategies to remain competitive in an increasingly saturated market.

A Massive Increase in Video Consumption will Drive Growth in Data Global data consumption split by content category, 2018-2027

Data consumption (petabytes)



Operating Context

🕒 **Telecom Embraces Artificial Intelligence (AI): Driving Growth and Efficiency**

The telecommunications industry is driving technological innovation, fuelled by mobile and 5G broadband services in the Internet of Things (IoT) era. By 2027, the global AI component in the telecommunications market is expected to reach USD 14.99 Bn., up from USD 11.89 Bn. in 2020, with a remarkable CAGR of 42.6% during the period 2021-2027.

AI is reshaping the telecom industry across several critical domains. From optimising networks and automating customer service to enabling predictive maintenance and fraud prevention, AI is redefining operational efficiency. Tools like Robotic Process Automation (RPA) streamline routine processes, while predictive analytics and AI-driven virtual assistants enhance customer engagement and revenue potential.

According to McKinsey Global, telecom operators can unlock growth and rejuvenation by wholeheartedly adopting extensive AI deployment and transitioning into organisations that are inherently AI-native. Recognising this imperative as non-negotiable, some telcos are increasing their investments in AI, scaling them up as the tangible business impact of this technology becomes evident. Sri Lanka too can expect the implementation of such technologies in the near future, with SLT playing a crucial role in their rollout and adoption. The integration of AI in the local telecom industry will likely enhance service quality, drive efficiency and support the nation's digital transformation.

🕒 **Telco to Techco: Redefining Connectivity for the Digital Era**

The telecommunications industry is undergoing a fundamental transformation as traditional telcos evolve into technology-driven enterprises, or "techcos". This shift is fueled by increasing demand for digital services, the rise of 5G, IoT, AI, and cloud computing, and the need for new revenue streams beyond connectivity. Leading global

players like Vodafone, AT&T, and Orange have embraced cloud partnerships and AI-powered network management to enhance efficiency, optimise operations, and expand into cybersecurity, smart city solutions, and enterprise digital services. SLT is also accelerating its transition into a techco, investing in advanced digital infrastructure, cloud solutions, and enterprise technology services to drive innovation and remain competitive in the evolving market.

However, this transformation presents significant challenges, including high investment costs, complex integration with legacy systems, regulatory hurdles, and the need for a cultural shift within organisations. To succeed, telcos must not only modernise their networks but also adopt agile, technology-driven business models that prioritise customer experience and innovation. Despite these challenges, the transition to a techco model offers immense opportunities, enabling telcos to unlock new growth avenues, enhance service offerings, and position themselves as key players in the digital economy.

🕒 **Regulatory Milestones Redefining Sri Lanka's Telecom Landscape**

The Sri Lankan telecom industry is experiencing significant regulatory shifts aimed at addressing market consolidation, spectrum management, and technological advancements. The Dialog-Airtel merger posed initial challenges but ultimately resulted in successful spectrum reallocations, including resources freed by Lanka Bell's closure, benefiting operators like SLT-Mobitel.

Advancing Number Portability: TRCSL has pushed for number portability to enhance consumer choice. While a joint company has been established to manage this initiative, implementation is expected by 2025, pending resolution of cost and operational challenges.

Unified Licensing for Efficiency: SLT-Mobitel is championing a unified licensing framework to streamline operations and enable quad-play services (fixed-line, mobile, internet, and TV).

5G Spectrum Allocation: TRCSL is conducted public consultations to determine the model for 5G spectrum distribution. Operators are advocating for administrative allocation over auctions to ensure equitable access. Negotiations on this front are expected to intensify in 2025.

SLT-Mobitel remains proactive in collaborating with regulators to drive innovation, streamline operations, and future-proof Sri Lanka's telecom sector.

🕒 **Bridging the Digital Divide: Challenges for Sri Lanka's Telecom Sector**

Sri Lanka faces persistent challenges in bridging the digital divide, with only 20.2% of households having access to a computer. In the urban sector this is 34% while the rural and estate areas stand at 18.1% and 4.6%, respectively. These disparities highlight significant gaps in digital inclusion, particularly in rural and underserved regions.

The limited digital literacy and affordability of devices, coupled with infrastructure limitations in remote areas, pose obstacles to expanding internet penetration. While the demand for connectivity is rising, the telecom sector grapples with the high cost of network expansion, spectrum allocation inefficiencies, and regulatory complexities.

Overcoming these barriers requires targeted investments in infrastructure, affordable service offerings, and collaborative public-private partnerships to ensure equitable access to digital technologies. Addressing the digital divide is crucial not only for enhancing connectivity but also for supporting national socioeconomic development and digital transformation.

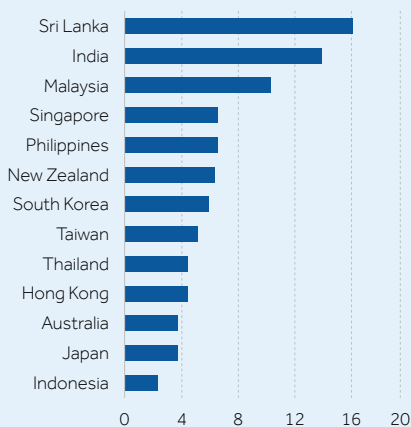
Operating Context

📶 5G Revolution: The Next Phase of Sri Lanka's Telecom Growth

The Sri Lanka telecommunications market size estimated at around USD 1.6 Bn., in 2025 is expected to grow at a CAGR of 6.8% over 2025-30 as per research firm Mordor Intelligence. Most of the major telecom companies in the world are present in the country, making significant R&D investments consistently. Key telecom operators have successfully completed 5G demonstrations and trials, marking the beginning of the gradual shift from 3G and 4G networks to the 5G network.

4G to 5G Uplift

Download



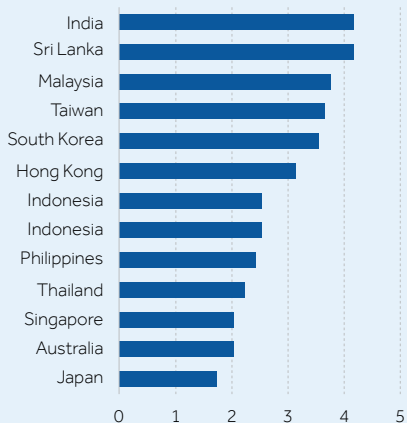
SLT, a leader in both fixed-line and mobile networks, is at the forefront of this transformation. With its expansive technological infrastructure, SLT is well-positioned to drive the telecommunications revolution, delivering significant socioeconomic benefits. In 2024, SLT-Mobitel made headlines by completing the historic SEA-ME-WE 6 submarine cable landing in Matara, enhancing the country's global connectivity. The cable system will be in commercial operation by mid-2026. Furthermore, SLT-Mobitel became the first in South Asia to trial 5G, with pre-commercial 5G sites already established across key cities, paving the way for future connectivity.

Among countries in the early stages of deploying 5G networks, Sri Lanka, along with India and Malaysia, has seen the largest speed improvements between 4G and 5G, offering promising enhancements in mobile network experience.

With SLT's leadership and continuous investments in 5G, Sri Lanka's telecom sector is primed for a transformative phase that will not only elevate connectivity but also contribute to broader economic growth.

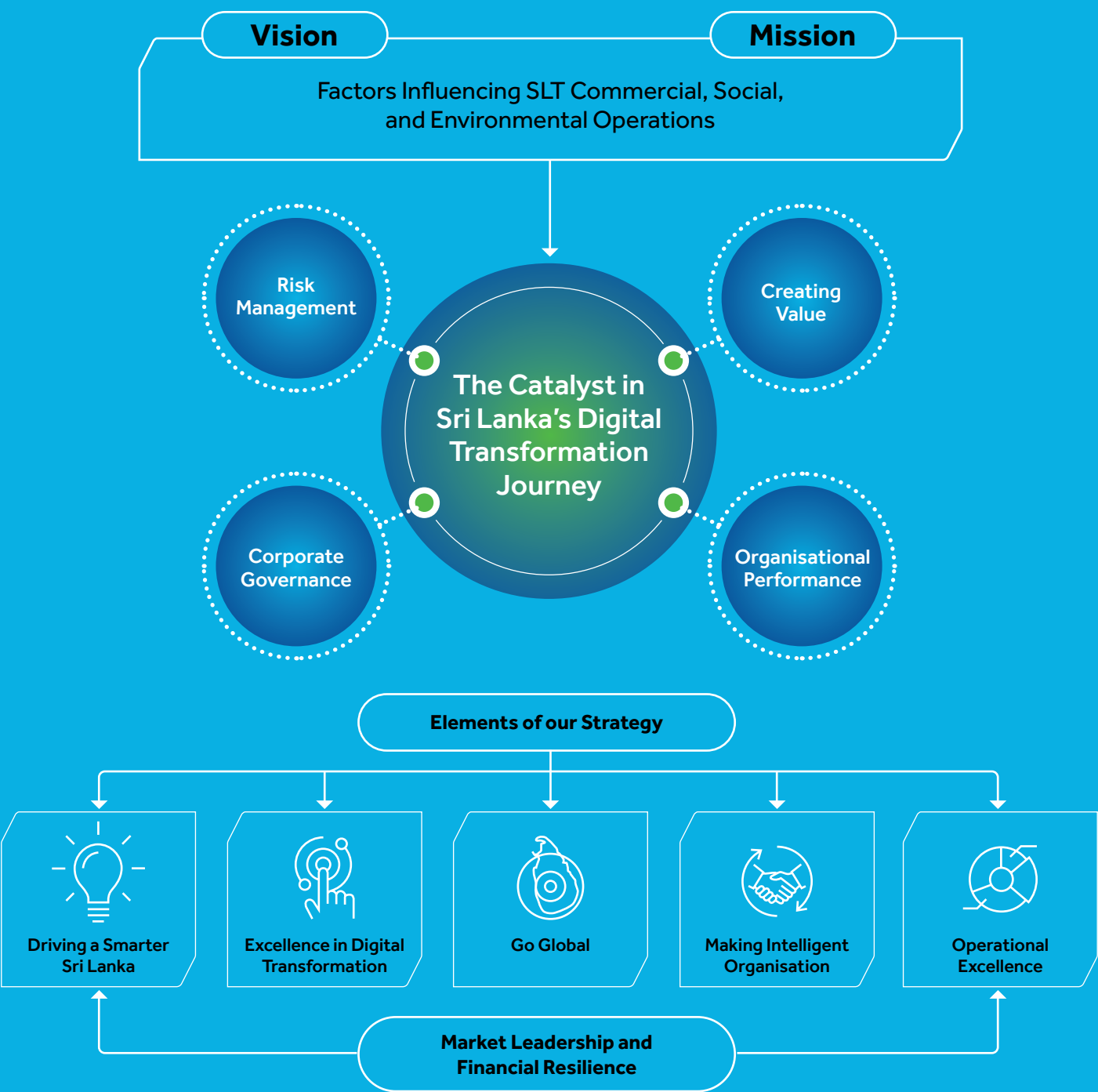
4G to 5G Uplift

Upload







Strategy

Our strategic focus on operational excellence, digital transformation, and customer-centric solutions underscores our commitment to delivering value to our stakeholders and positioning SLT for long-term success.



Strategy

Pillar	Strategic Priorities	Achievements/Processes
Driving a Smarter Sri Lanka 	<ul style="list-style-type: none"> Enabling the state-of-the-art telecommunications infrastructure across the country Bridging the digital divide by expanding fibre footprint and penetrating to unserved and underserved communities Enhancing cloud infrastructure and data centres Improving connectivity in underserved areas 	<ul style="list-style-type: none"> Enhanced infrastructure for high speed access and assured service availability Enabled digital transformation for SMEs Established Sri Lanka's largest data centres space with advanced solutions Modernised networks with Fibre and next-generation wireless technologies to deliver enhanced services Launched digital platforms such as Fazenda Smart Agro for AI-powered agriculture
Excellence in Digital Transformation 	<ul style="list-style-type: none"> Enabling customers' digital way of Life Transitioning from a traditional telecom provider to a next-generation technology company Organisation's digital transformation with process automation and simplification 	<ul style="list-style-type: none"> Automated internal processes and systems to drive efficiency Implemented digital engagement tools for customer interactions Expanded services through Robotic Process Automation (RPA)
Go Global 	<ul style="list-style-type: none"> Expanding international networks and services Strengthening the global presence of the brand through Xyntac which is the global business arm and Establish Xyntac Enterprise as a new venture 	<ul style="list-style-type: none"> Completed SEA-ME-WE 5 consortium partnership and planning future expansions Established SEA-ME-WE 6 landing Station in Sri Lanka and the cable system is to be launched soon Established Xyntac's presence in Singapore to strengthen global operations
Making an Intelligent Organisation 	<ul style="list-style-type: none"> Retaining top talent by aligning their goals with organisational success Talent acquisition driven by organisational needs and priorities Enhancing leadership skills 	<ul style="list-style-type: none"> Adopted diverse talent acquisition strategies Developed skill-building programmes through SLT-MOBITEL Nebula Institute of Technology
Operational Excellence 	<ul style="list-style-type: none"> Streamlining operations to drive superior customer experience and proactive operations Shifting to cloud-based infrastructure Enhancing best disciplined field service operations 	<ul style="list-style-type: none"> Improved efficiency through operational integration Leveraged data analytics intelligent decision-making Introduced SMART workforce with certified training for optimised field service

Materiality

Materiality refers to the significance of factors that influence an organisation's ability to generate and sustain value in the short, medium, and long term. It extends beyond financial aspects to include Environmental, Social, and Governance (ESG) considerations. The process of determining materiality involves evaluating how various issues impact an organisation's value creation and preservation. This assessment incorporates both quantitative and qualitative factors, such as financial performance, operational effectiveness, and stakeholder priorities, to present a well-rounded view of risks, opportunities, and overall business performance.

Sri Lanka Telecom PLC (SLT) adopts a structured and thorough approach to identifying material matters, using rigorous evaluation criteria to accurately represent the Company's operating environment. Financial significance is assessed using quantitative indicators, including revenue streams, cost structures, and capital allocation, ensuring a precise understanding of their impact on SLT's financial stability. Operational considerations focus on key performance indicators (KPIs), efficiency levels, and technological infrastructure, determining their influence on daily operations.

Stakeholder relevance is carefully mapped through customer insights, investor expectations, employee perspectives, and regulatory compliance requirements. SLT also maintains a strong legal and regulatory framework, monitoring changes in telecommunications laws and ensuring alignment with industry standards.

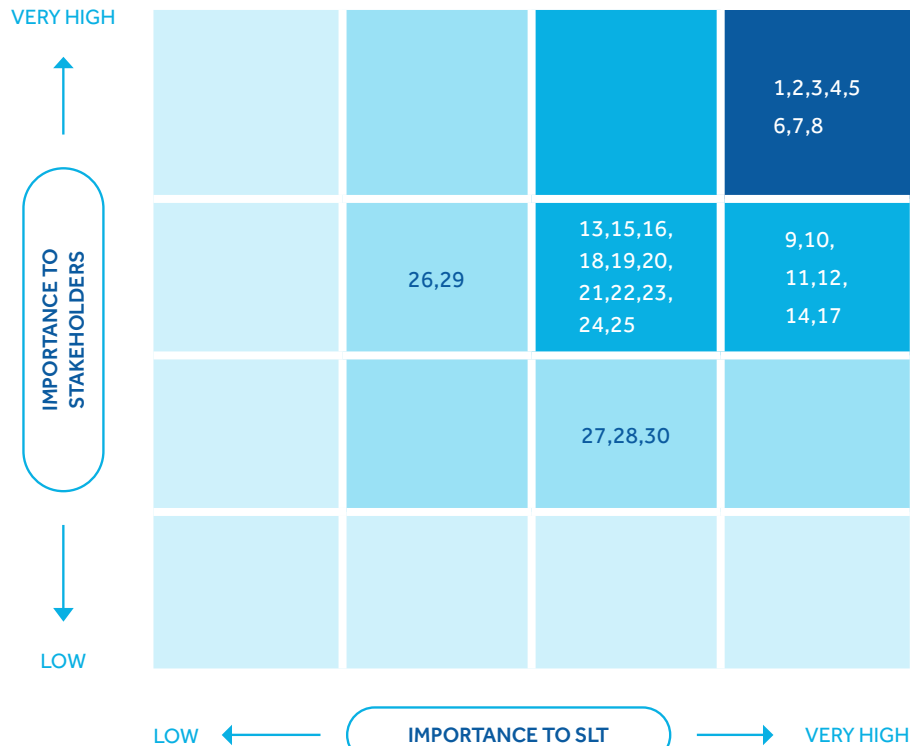
Furthermore, SLT is committed to upholding globally recognised ESG principles. The Company integrates sustainability metrics and competitive intelligence to align reporting practices with established ESG benchmarks, reinforcing transparency and accountability.

By combining technical insights with industry best practices, SLT ensures that its Annual Report not only meets compliance standards but also serves as a valuable resource for stakeholders, enabling them to make well-informed evaluations of the Company's performance in the evolving telecommunications sector.

A comprehensive list of SLT's material matters for 2024 is outlined below.

No.	Topic
1.	Financial and economic performance
2.	Employment
3.	Training and education
4.	Customer privacy
5.	Customer experience
6.	Work and lifestyle changes
7.	Purchasing power of consumers
8.	Macroeconomic conditions
9.	Indirect economic impacts
10.	Technology evolution
11.	Financial resilience
12.	Industry evolution in the country
13.	Procurement practices
14.	Crisis management
15.	Anti-corruption

No.	Topic
16.	Anti-competitive behaviour
17.	Energy
18.	Emissions
19.	Effluents and waste
20.	Environmental compliance
21.	Occupational health and safety
22.	Freedom of association and collective bargaining
23.	Socio-economic compliance
24.	Community health and safety
25.	Digital infrastructure for education
26.	Diversity and equal opportunity
27.	Research and development
28.	Local community engagement
29.	Biodiversity
30.	Marketing and labelling



Stakeholders

Stakeholders are crucial in supporting and enhancing the ecosystem of Sri Lanka Telecom PLC. Maintaining strong relationships with these stakeholders allows the Company to remain adaptable to market demands, regulatory changes, and technological progress in the telecommunications sector. This cooperative effort is vital for the Company's ongoing development and long-term success in Sri Lanka's dynamic telecommunications market. Stakeholders play an essential role in driving the Company's growth and achievements.



INVESTORS

Engagement mechanism and frequency

Engagement mechanism	Frequency
Quarterly results	Quarterly
Annual report/AGM	Annually
CSE disclosures	As needed
Media releases	Regularly
Rating reviews	Annually

Key topics discussed and concerns raised

- Sustained earnings growth
- Dividend declarations
- Compliance with regulations
- Transparency in communication
- Organisational stability

SLT's response to stakeholders

- Reporting earnings growth to investors
- Ensuring timely dividend payments and share price growth
- "Publishing quarterly results and price-sensitive information via multiple channels"
- Sharing publicly accessible information regularly
- Maintaining a strong balance sheet and liquidity position



CUSTOMERS

Engagement mechanism and frequency

Engagement mechanism	Frequency
Customer satisfaction surveys	Regularly
Social media	Regularly
Website, applications, social media platforms	Regularly
Newsletters, media releases, magazines	Regularly
Branches	Based on customer need
Dealers	Based on customer need
SLT officers	When necessary
Contact centre	24/7

Key topics discussed and concerns raised

- Retail, SME, and Enterprise customer needs
- Availability of engagement teams, tools, services
- Competent staff availability at dealer outlets
- Convenience and overall experience
- Innovative and efficient solutions

SLT's response to stakeholders

- Reliable and high-performance infrastructure
- Seamless service throughout the customer journey
- Convenience
- Consistent availability of customer service
- Product and corporate updates

Stakeholders



EMPLOYEES

Engagement mechanism and frequency

Engagement mechanism	Frequency
Meetings, Emails, and WhatsApp Groups	As required
Employee Events	Frequently
Training Programmes	As needed
Inclusive Management	Regularly
Health and Safety Programmes	Based on employee needs
Performance Evaluations and One-on-One Meetings	Annually

Key topics discussed and concerns raised

- Creating a positive and supportive work environment
- Bridging skill gaps identified in assessments and supporting career development
- Promoting workplace harmony, industrial peace, and organisational growth
- Ensuring a healthy work-life balance
- Fair compensation, recognition, and rewards
- Managing work during national challenges like economic crises

SLT's response to stakeholders

- Implemented remote working and the "Home to Field" approach for field operations staff.
- Focused on enhancing job satisfaction and retaining employees.
- Conducted internal and external training programmes, delivering 137,830 hours of training in 2024 (23 hours per employee on average).
- Encouraged employee and trade union participation while updating policies on disciplinary actions and grievance handling.
- Provided diverse services for employee well-being, including medical reimbursements, eChannelling services, Agrahara insurance, medical centres at headquarters, and the Suwatha health screening programmes.
- Adopted transparent evaluation methods such as self-evaluations, peer reviews, supervisor feedback, and incentives to reward outstanding performance.



BUSINESS PARTNERS

Engagement mechanism and frequency

Engagement mechanism	Frequency
Dealer satisfaction surveys	Quarterly
Vendor satisfaction surveys	Annually
Supplier assessment surveys	Annually
Supplier post-performance assessment	After major project completion
Meetings	As needed
Communication of requirements	Regularly or as required
E-tenders and e-auctions	As required
Dealer awareness sessions	Monthly
Vendor awareness sessions	As required
Vendor and supplier forum events	As required

Key topics discussed and concerns raised

- Timely payment of dues
- Fair business practices
- Eligibility to participate in tenders
- Supplier performance
- Addressing economic challenges
- Improving communication
- Growth opportunities
- Enhancing dealer and vendor performance
- Raising vendor awareness
- Addressing supplier-related issues

SLT's response to stakeholders

- Ensuring prompt payments to vendors, dealers, and suppliers.
- Enforcing fair procurement practices through Tender Committees and Board oversight.
- Evaluating supplier suitability for registration.
- Rating and sharing supplier performance, offering improvement opportunities.
- Facilitating direct procurement from principal vendors, bypassing intermediaries.
- Gathering feedback from dealers and taking steps to enhance communication.
- Conducting vendor awareness sessions, reviews, and post-evaluation discussions.
- Implementing reward programmes to motivate better performance.
- Hosting sessions to improve vendor understanding and collaboration.
- Increasing communication to resolve concerns effectively.

Stakeholders



GOVERNMENT AND REGULATORS

Engagement mechanism and frequency

Engagement mechanism	Frequency
Meetings with regulatory authorities such as the Telecommunications Regulatory Commission of Sri Lanka (TRCSL), Department of Treasury Operations, Information and Communication Technology Agency of Sri Lanka (ICTA), and Inland Revenue Department (IRD)	Regularly
Annual report	Annually
Presentations	As required

Key topics discussed and concerns raised

- Regulatory compliance
- Address challenges in the operating context and issues pertaining to the industry
- Communicating and verifying statutory requirements and communicating information
- Compliance with regulatory requirements and timely reporting
- Timely payment of taxes

SLT's response to stakeholders

- Advocating changes to regulatory requirements in response to changing circumstances and needs.
- Strengthening compliance procedures.
- Investing in national telecommunications infrastructure
- Serving as a key partner in-government initiatives of national importance (e.g. linking 860 government institutions to the Lanka Government Network through ICTA)
- Contributing to developing the country's technology sector and regulatory issues pertaining to same.
- Connecting Sri Lanka to global opportunities keeping relations with regulatory authorities.
- Collaborations with ministries and other government bodies to prioritise national digitalisation.
- Maintaining processes to ensure compliance with regulatory requirements
- Ensuring the timely remittance of taxes and levies collected.



COMMUNITY

Engagement mechanism and frequency

Engagement mechanism	Frequency
Network of branches	Regularly
Social media and SLT website	Regularly
Events	Annually, Regularly, As required

Key topics discussed and concerns raised

- Responsible business practices
- Engage and uplift communities
- Development of ICT skills among Sri Lankan youth
- Stimulate the entrepreneurial interest in youth to resolve national challenges through inventions
- Uplift Sri Lanka's educational landscape

SLT's response to stakeholders

- Providing communication and digital needs considering the requirements of different customer groups e.g. Generation Z
- Ensuring affordability of services and recognition of special need groups
- Enhancing island-wide presence and coverage and ability of staff to cater to any special requirements of the area.
- Disseminating information about SLT's achievements and its products and services and how best customers can access and utilise these products and services.
- Conducting wide range of community events many of which are innovation-focused.
- Sponsoring national technological events such as Techno and Infotel exhibitions.
- Operating programmes to enhance academic development STEMUP, Skill Online, School entrepreneurship programmes.

Business

37

Finance

43

Our
Infrastructure

47

Intellectual
Resources



Finance

Financial and Economic Backdrop

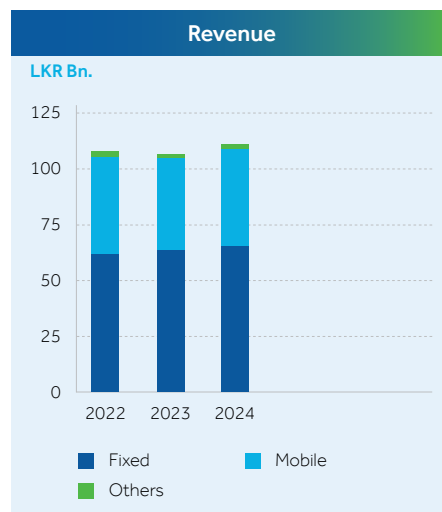
The year 2024 marked a period of recovery and resilience for the telecommunications industry, following the challenges of the preceding years. The macroeconomic environment showed signs of stabilisation, with a notable reduction in interest rates and a general easing of inflationary pressures. These improvements, coupled with the appreciation of the Rupee, brought much-needed relief to the industry's cost structure. Electricity and fuel tariffs, which had risen sharply in previous years, saw reductions in 2024, significantly lowering one of the major cost components for telecommunications providers. Transport costs also declined, aided by the drop in fuel prices and gradual normalisation of vehicle availability. Additionally, the appreciation of the Rupee helped ease the burden of costs associated with network/IP and IT infrastructure maintenance, which had previously surged due to currency depreciation and inflation. On the revenue side, customer affordability improved as inflation moderated and the overall economic outlook became more favourable. While income tax rates remained high, the relative financial relief in other areas allowed for a gradual recovery in consumer spending on telecommunication services. Although core household priorities such as food, healthcare, and education continued to dominate, the importance of connectivity and digital access remained strong, reinforcing the industry's critical role in daily life.

As a result of these improved conditions, the SLT Group experienced a positive turnaround in its performance for the year under review. The Group recorded a YoY revenue growth of 4.4%, reaching LKR 111.1 Bn., while profit after tax stood at LKR 3.1 Bn. Total assets declined by 2.9% YoY, amounting to LKR 239.2 Bn. as at 31 December 2024.

The following section provides a detailed analysis of the Group's financial capital management over the year, highlighting SLT's ability to remain resilient and navigate through an evolving and previously challenging operating environment.

Income Statement Revenue

In 2024, the SLT Group recorded a year-on-year revenue growth of 4.4%, reaching LKR 111.1 Bn. compared to LKR 106.4 Bn. in 2023. The revenue growth at the SLT company level stood at 2.3%, primarily driven by a resurgence in government-related revenues following the recommencement of key strategic projects. Mobitel also contributed positively to overall Group performance, recording a revenue increase of 7.4%, largely supported by the continued expansion of broadband services and strong growth in the prepaid customer segment.

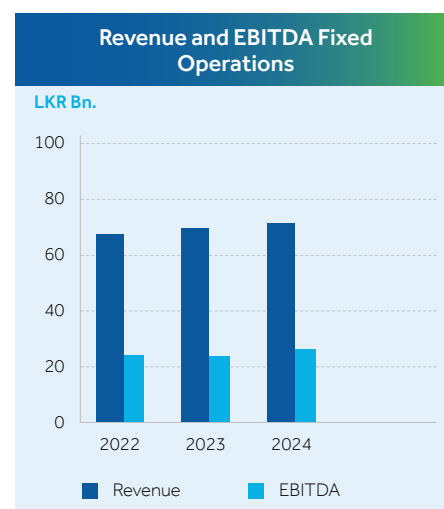
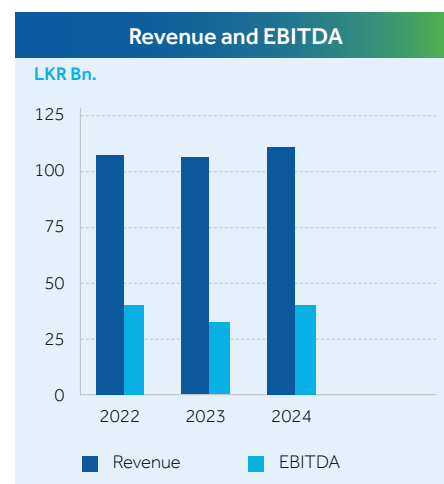


Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

The combined effect of increased Group revenue and a reduction in operating expenses led to a notable 24.3% YoY growth in EBITDA for 2024. This improvement was supported by the appreciation of the Rupee, which helped lower repair and maintenance costs, as well as the reduction in electricity and fuel tariffs, which contributed to overall cost efficiencies. Consequently, the SLT Group's EBITDA margin improved significantly, rising from 31.0% in 2023 to 36.9% in 2024. Within the Group, fixed operations generated an

EBITDA of LKR 26.2 Bn., marking an 11.1% YoY increase. The EBITDA margin for fixed operations improved modestly from 33.9% in 2023 to 36.8% in 2024, primarily due to lower operating expenditure.

Mobile operations delivered a particularly strong performance, with EBITDA rising by 54.5% to LKR 13.6 Bn. This resulted in a substantial improvement in the EBITDA margin, which increased from 20.7% in 2023 to 29.8% in 2024. The strong margin expansion was driven by reduced electricity tariffs, the favourable impact of Rupee appreciation which lowered key expenses such as maintenance costs, license fees, and repairs and overall improvements in operational efficiency.



Finance



Managing Costs

The reduction in electricity tariffs during 2024 had a notable positive impact on the Group's operating expenses. Additionally, transport costs declined significantly, driven by the fall in fuel prices. These developments contributed to a 2.3% reduction in total operating costs for the year. Direct costs saw a 4.2% decrease, largely attributed to easing inflationary pressures, lower energy expenses, and reduced annual maintenance

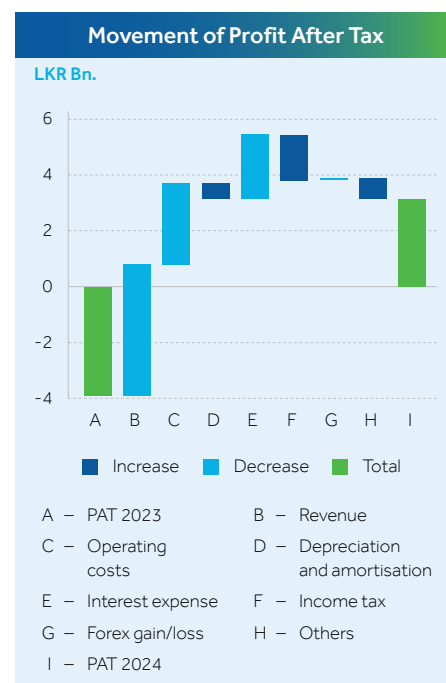
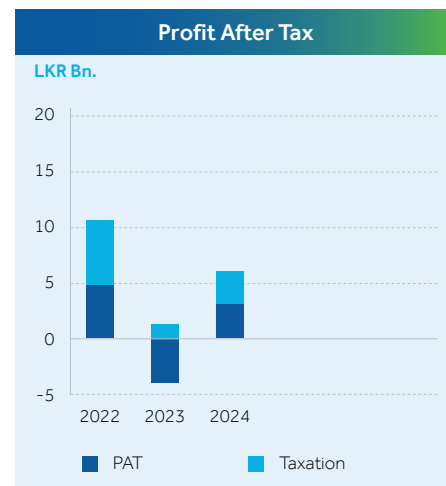
costs. The combination of this cost efficiency with the Group's 4.4% growth in revenue led to a substantial 172.8% increase in operating profit. As a result, the operating profit margin rose markedly to 10.1% in 2024, up from 3.9% in the previous year, reflecting improved operational performance and cost management.



Profit Before and After Tax

In 2024, the Group reported a profit before tax of LKR 6.0 Bn., a significant increase compared to LKR 2.7 Bn. loss in 2023. This improvement was driven by revenue growth, lower operating expenses, a decline in interest costs and favourable foreign exchange gains. Following an income tax provision of LKR 2.9 Bn. for the year, the Group's profit after tax rose to LKR 3.1 Bn., a notable turnaround from the loss after tax of LKR 3.9 Bn. recorded in 2023.

The Group's fixed operations delivered a net profit of LKR 2.1 Bn. in 2024, up from the loss of LKR 1.1 Bn. in the previous year, supported by reduced interest obligations and improved cost efficiencies. Similarly, mobile operations recorded a net profit of LKR 0.14 Bn., primarily driven by strong revenue growth and a decline in operating expenses.



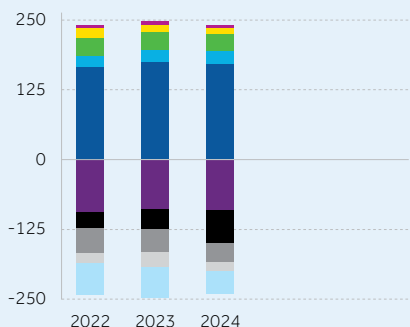
Finance

Financial Position

SLT continued to make strategic investments in the continuation of the Fibre To The Home project, new global undersea cable SEA-ME-WE 6, and increase in bandwidth to enhance revenue generation capabilities.

Analysis of Total Assets and Funding

LKR Bn.

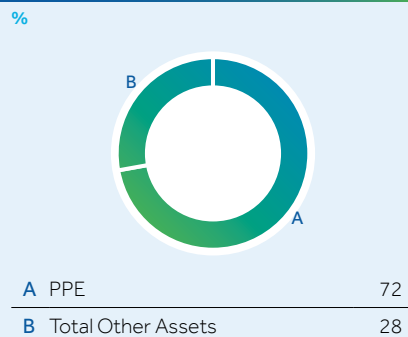


- Property, Plant and Equipment
- Trade and Other Receivables
- Other Current Assets
- Non-Current Borrowings
- Current Borrowings
- Other Non-Current Assets
- Short term Investments, Cash and Cash Equivalents
- Equity
- Other Non-Current Liabilities
- Other Current Liabilities

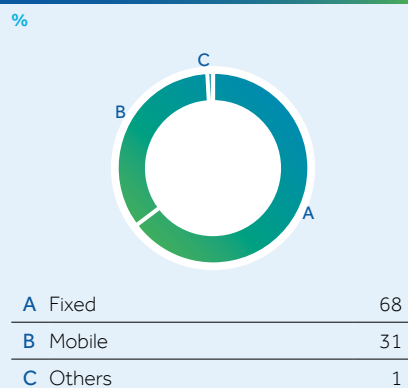
Non-current Assets

Property, Plant and Equipment (PPE) accounts for the single largest component of the Group assets, amounting to 72.2% of Total Assets. The depreciation and amortisation resulted the net book value of PPE of the Group to decrease from LKR 174.5 Bn. as at 31 December 2023 to LKR 172.6 Bn. as at 31 December 2024. PPE and Right of Use Assets accounted for 91.5% of non-current assets as of the reporting date.

PPE as a percent of Total Assets



Group Asset Base

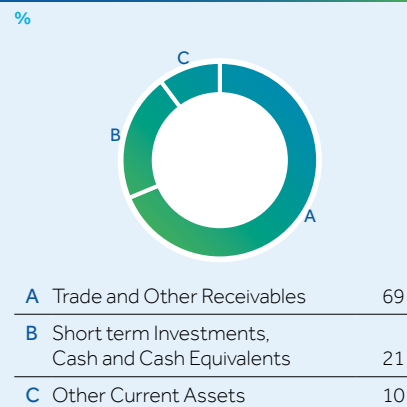


Current Assets

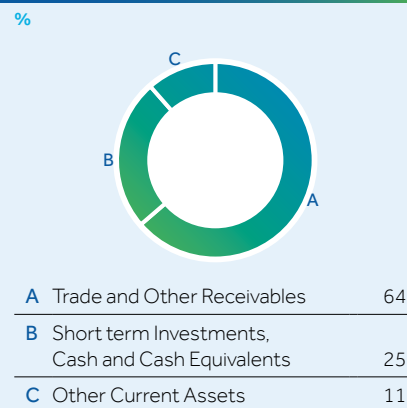
Trade and other receivables, which accounts for the largest component of current assets increased from 63.7% in 2023 to 68.7% in 2024 in proportion to total current assets due to a decrease in the latter from LKR 50.3 Bn. to LKR 44.7 Bn. during the year.

The Group's liquidity position in terms of short-term investments and cash and cash equivalents decreased to LKR 9.4 Bn. as at 31 December 2024 reflecting a decline of 24.7% compared to LKR 12.5 Bn. as at 31 December 2023. This was due to the utilisation of a portion of the liquid assets for funding strategic projects such as SEA-ME-WE 6 and FTTH. Other current assets amounted to 10.2% of the total current assets which included LKR 3.1 Bn. worth of inventories.

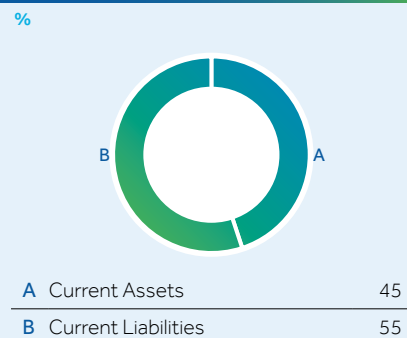
Current Assets 2024



Current Assets 2023



Current Assets to Current Liabilities

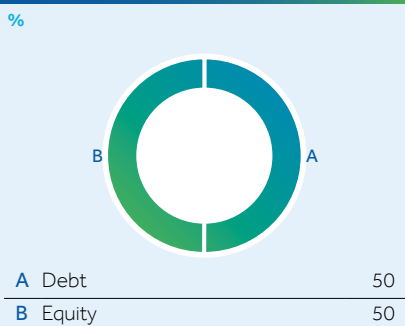


Finance

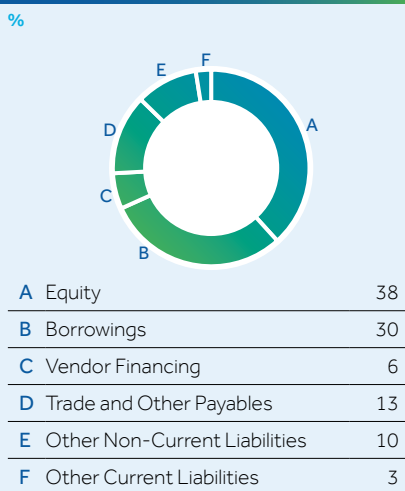
Capital and Funding

Consequent to the profit earned during the year, equity amounted to LKR 91.5 Bn. as at the end of the 2024 compared to LKR 88.4 Bn. as at the end of the 2023 and accounted for 38.2% of all funding sources compared to 35.9% in 2023. As a result, shortfall in funding for the invest in PPE and intangible assets over and above the amounts drawn down from short-term investments and cash and cash equivalents as detailed above, had to be secured from borrowings. Accordingly, total borrowings of the Group increased by 12.5% from LKR 63.8 Bn. as at 31 December 2023 to LKR 71.7 Bn. as at 31 December 2024. Trade payables decreased by 28.4% to LKR 31.4 Bn. as at 31 December 2024. Other current and non-current liabilities amounted to 12.7% of total funding and included lease liabilities of LKR 5.9 Bn. and employee benefits of LKR 6.3 Bn. amongst others.

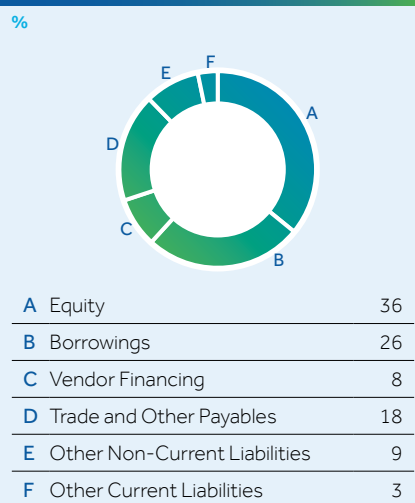
Capital Structure



Sources of Funding 2024



Sources of Funding 2023



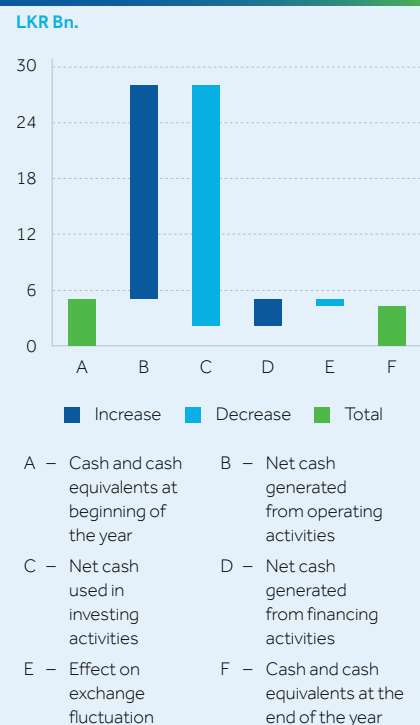
Cashflows

Net cash flows generated from operating activities increased by 33.1%, reaching LKR 22.9 Bn. This growth was primarily driven by a significant reduction in interest payments resulting from lower interest rates. Cash outflows from investing activities amounted to LKR 25.8 Bn. in 2024, compared to LKR 32.7 Bn. in 2023. This decline reflects a strategic prioritisation of capital expenditure towards high-return, short payback period projects, such as the fibre network expansion aimed at boosting revenue. The Group remains committed to investing in advanced technologies and enhancing capacity to support the country's growing reliance on telecommunications and digital services across all sectors. Net cash generated from financing activities saw a notable decline, amounting to LKR 2.9 Bn. This figure includes borrowings from financial institutions totalling LKR 63.5 Bn., which were partially offset by increased loan repayments of LKR 51.5 Bn. during the year.

Despite the YoY decrease, the Group closed the financial year with a healthy net cash and cash equivalents balance of LKR 4.4 Bn., compared to LKR 5.1 Bn. in the previous year. Effective financial resource management and prudent handling of foreign exchange exposure contributed to this outcome.

The Group maintains adequate liquidity to meet its financial obligations and is well-positioned for future growth, offering enhanced value to its stakeholders.

Cash flow Movement

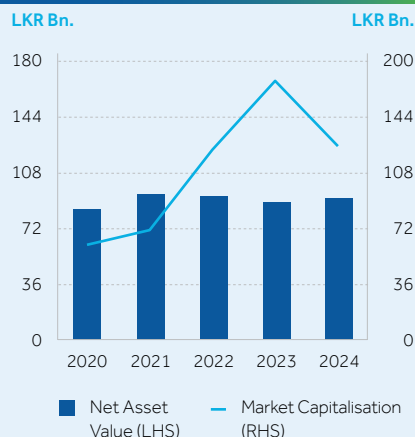


Value to Investors

The SLT Group has consistently delivered sustained earnings growth to its investors, driven by the strength of its unified brand, solid market positioning, ongoing investments in advanced technologies, and strategic capacity expansions. This performance has been further reinforced by robust corporate governance and a strong commitment to social and environmental responsibility, ensuring a prudent balance of stakeholder interests. The following graphs illustrate the value created for investors over the reporting period.

Finance

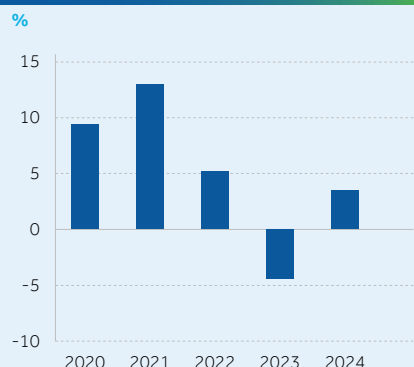
Value Delivered



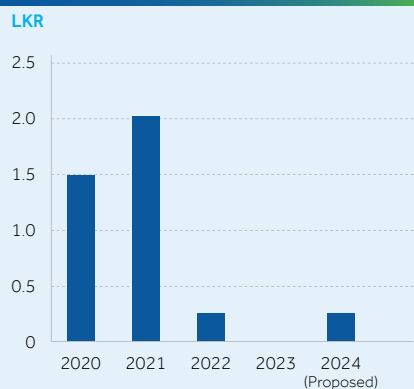
Earnings Per Share (EPS)



Return on Equity



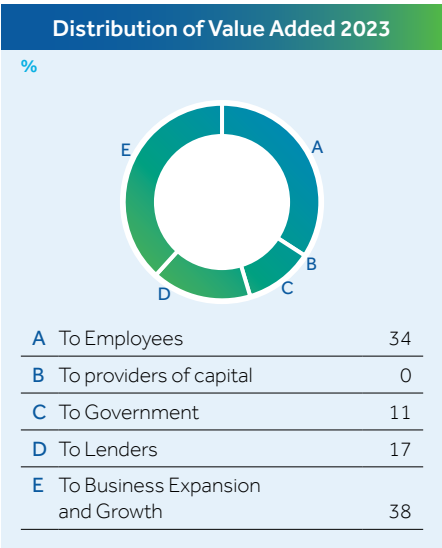
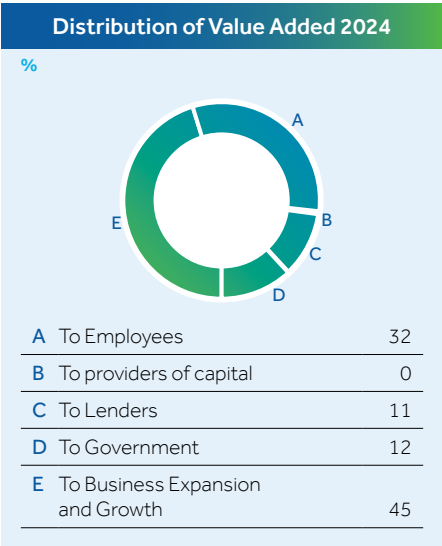
Dividend Per Share (DPS)



Value Added Statement

Value Added Statement for the years 2023 and 2024

	2024		2023	
	LKR Mn.	%	LKR Mn.	%
Revenue	111,148		106,418	
Interest dividend and other income	3,128		3,910	
	114,276		110,328	
Goods and services purchased from other sources	(41,385)		(45,081)	
Value creation	72,891		65,247	
Distribution of value added				
To employees; Salaries, wages and other benefits	23,018	31.58	22,277	34.14
To Government; Taxes and regulatory fees	8,642	11.86	7,327	11.23
To lenders; Interest and related charges	8,280	11.36	10,663	16.34
To business expansion and growth:				
Depreciation and amortisation	29,831	40.93	28,901	44.29
Retained income	3,120	4.28	(3,921)	(6.01)
	72,891	100	65,247	100



➡ **Looking to the Future**

Looking ahead, the SLT Group is positioned for a sustained growth trajectory, building upon the foundation laid in 2024. While we remain mindful of the dual challenge of ongoing infrastructure investment needs and the current levels of gearing, our capital expenditure strategy will remain focused and disciplined. Investments will be prioritised based on strategic importance, return potential, and payback period, with essential, high-return, short-payback projects taking precedence. Non-critical capex initiatives may be deferred to 2025 and 2026 to ensure prudent financial management. A key driver of future growth will be the continued expansion of our flagship fibre network. This will not only enhance connectivity across the country but also significantly boost revenue generation by catering to increasing demand for high-speed, reliable broadband services. In parallel, Mobitel

will prioritise the expansion of wireless infrastructure to meet the growing needs of its mobile customer base. With major cost optimisation initiatives already in place, we do not anticipate significant increases in the operating cost base in the near term. This positions the Group well to restore profitability and generate sustainable value for our stakeholders. Our growth strategy also includes the introduction of innovative customer packages designed to add tangible value to both retail and corporate clients. As we move beyond traditional product offerings, we are committed to providing end-to-end digital solutions powered by advancements in artificial intelligence, automation, and digital transformation. This strategic pivot from product-centricity to solution-driven services will strengthen customer engagement, diversify revenue streams, and further enhance profitability in the years to come.

Our Infrastructure

➔ Empowering Connectivity Through World-Class Infrastructure

SLT's achievements are built on a solid foundation of state-of-the-art physical infrastructure, which supports its mission to deliver unmatched telecommunications services across Sri Lanka. This comprehensive infrastructure includes an expansive island-wide communications network, advanced data centres that

seamlessly integrate physical and digital operations, and a diverse range of high-performance equipment and devices. Additionally, the company operates various physical assets such as offices, maintenance hubs, training and experience centres, teleshops, and other customer touchpoints each playing a vital role in supporting the telecommunications value chain.

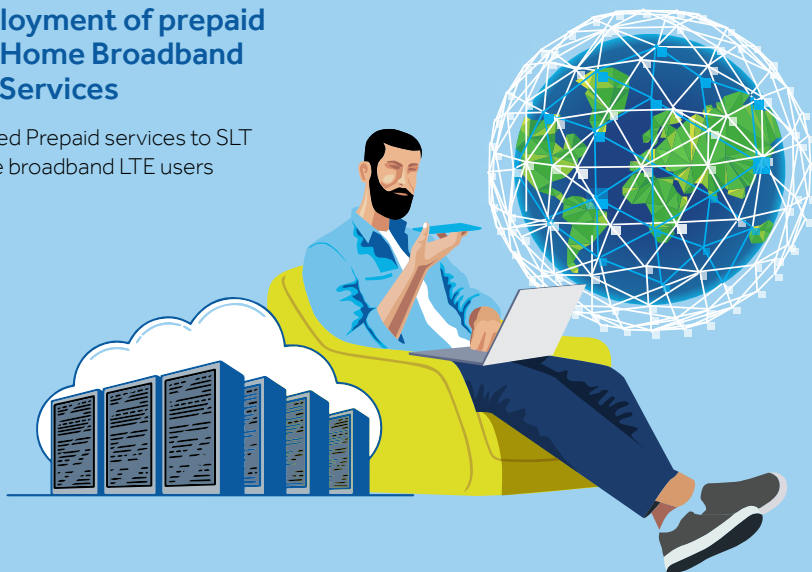
Renowned for their reliability and performance, SLT's assets are the result of meticulous procurement and partnerships

with leading local and global suppliers. This ensures a resilient foundation for efficient service delivery and innovative solutions.

Strategically deployed to achieve national and business objectives, SLT's infrastructure investments extend digital access across Sri Lanka. These efforts not only enhance customer experiences but also drive economic growth, broaden educational opportunities, and contribute to overall societal advancement, through its robust infrastructure. SLT positions itself as a pivotal force in accelerating the nation's digital transformation journey.

Deployment of prepaid SLT Home Broadband LTE Services

Enabled Prepaid services to SLT Home broadband LTE users

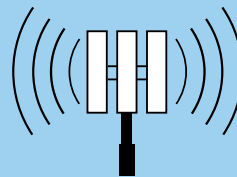


Improvement of international connectivity

SEA-ME-WE 4 upgrade completed

SEA-ME-WE 5 capacity upgrade is expected to be completed and delivered by the end of 2025

Awaiting SEA-MEWE 6 completion



Expansion of data centres

Capacity expansion at Colombo data centre

Cloud platform infrastructure modernisation with enhanced cloud native capabilities

Expansion of 4G wireless network and 5G pilot deployment

Enhancement of wireless network in 4G offering more coverage, higher speeds and network experience

100 MHz in 2.6 GHz spectrum will be used for both mobile and fixed wireless broadband services

Completed 650 new nodes in 2.6GHz network expansion

Completion of 5G pilot project in five major cities

Our Infrastructure

To address the growing demand in an increasingly digitalised world, SLT continually invests in expanding, maintaining, and optimising its critical infrastructure.

The Network Operations and Facilities Management Divisions are pivotal in managing the Group's comprehensive network operations, driving new initiatives, implementing pilot projects, and ensuring effective network planning, maintenance, and customer service fulfillment.

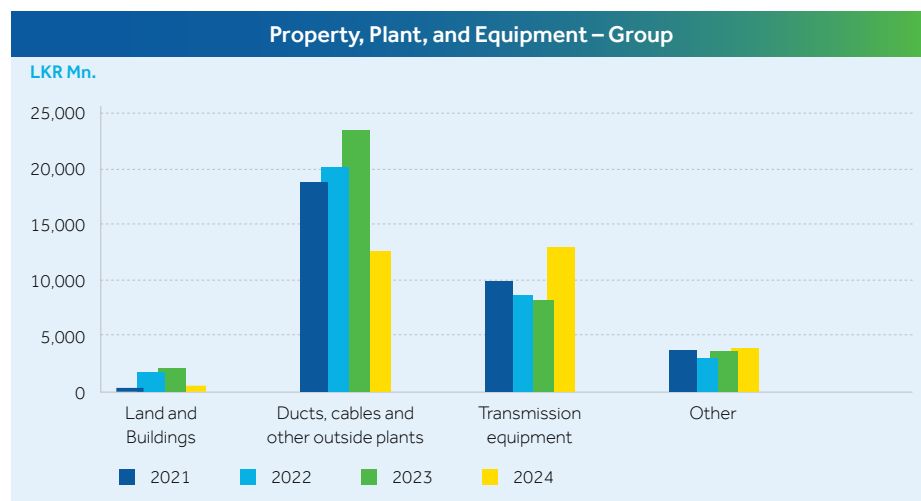
In 2024, infrastructure investments were concentrated on expanding the network, streamlining the Group's operational footprint, and advancing key projects to strengthen Sri Lanka's global connectivity. These efforts also aligned with the country's broader digitalisation goals.

Mobitel has undertaken extensive network enhancements aimed at improving availability, optimisation, and overall quality of service, enabling the company to regain its position as the fastest network in Sri Lanka as recognised by Ookla in 2024.

Key strategic investments included the expansion of the high-bandwidth 2.6GHz 4G network with 1,000 RAN-sharing sites, thereby delivering superior connectivity and a seamless digital experience to customers. Additionally, the enhancement of 850 MHz spectrum from 5MHz to 10MHz significantly strengthened network coverage and improved the overall customer experience. These efforts reflect Mobitel's commitment to empowering Sri Lanka's digital transformation and connecting communities nationwide.

➔ Investment in Property, Plant, and Equipment (PPE)

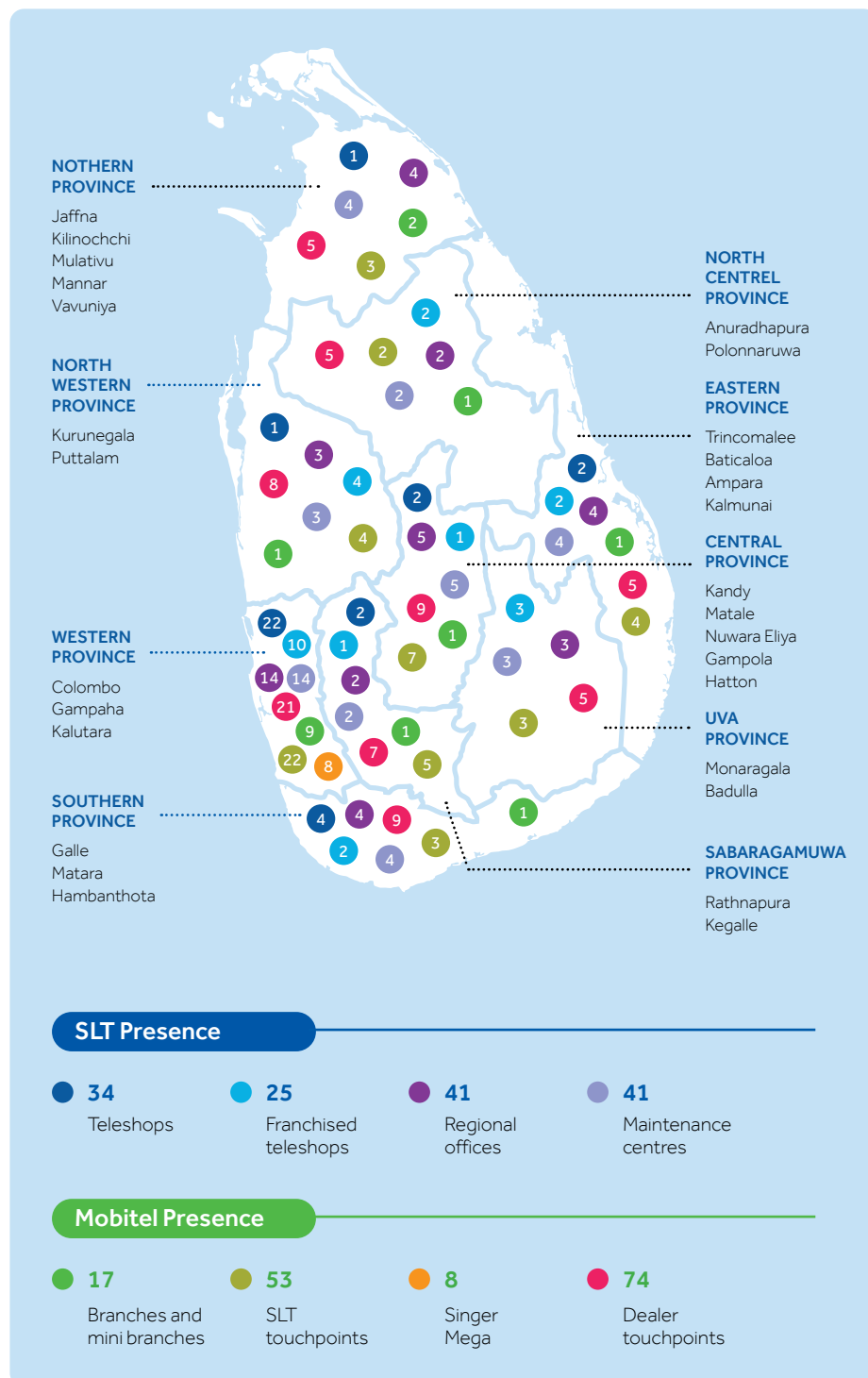
	2021 (LKR Mn.)	2022 (LKR Mn.)	2023 (LKR Mn.)	2024 (LKR Mn.)
Land and Buildings	334	1,728	2,107	530
Ducts, cables and other outside plants	18,826	20,153	23,518	12,636
Transmission equipment	9,982	8,697	8,251	13,011
Other	3,775	2,976	3,586	3,914



➔ Nationwide Reach and Customer-centric Accessibility

SLT's extensive presence across Sri Lanka is designed to provide seamless access to its services through a variety of customer touchpoints. As the national telecommunications provider, SLT is committed to bridging the gap between physical accessibility and digital connectivity. This focus ensures that customers and communities alike are empowered with reliable and efficient services, reflecting the Group's dedication to fostering inclusive digital access and supporting the nation's connectivity goals.

Our Infrastructure



Advanced Network Infrastructure: Driving Innovation and Connectivity

SLT's network infrastructure is a comprehensive system encompassing a core network, expansive transport and access networks, an international network, and a control network with state-of-the-art switching facilities. Details of the National Backbone Network (NBN) expansion and SLT's participation in international submarine cable consortiums that connect Sri Lanka globally are outlined in the "Strengthening Sri Lanka's Digital Backbone" section on pages 7 and 8.

The Group maintains over 4,000 wireless network sites across the island, delivering mobile and Fixed Wireless Access (FWA) services. A unified wireless network has been deployed to support these services, thereby enhancing operational efficiency, asset utilisation, and cost-effectiveness. In addition, SLT's 5G trial network, operational in five major cities, allows customers with compatible devices to experience next-generation connectivity.

Notable advancements include the launch of prepaid services for SLT 4G Home Broadband users, offering greater flexibility and diverse product options. Upgrades to the critical transport network through a software-defined, cloud-based solution are also in progress, allowing for automatic route optimisation and other benefits to bolster connectivity and service quality.

Our Infrastructure

🔗 Empowering Digital Transformation through Advanced Data Centre Infrastructure

As Sri Lanka progresses through its digital transformation, the demand for data storage, cloud computing, virtualisation, and advanced processing solutions continues to surge. This growth, driven by innovations in Edge Computing, Artificial Intelligence (AI), and cloud technologies, has underscored the increasing need for robust data centre infrastructure. In response, SLT has strategically prioritised the expansion of its data centres to support the country's digital economy and the growth of service-oriented exports.

Currently operating five state-of-the-art data centres, SLT-MOBITEL's flagship Tier III facility in Pitipana is designed to meet the highest global standards in uptime, security, and sustainability. Holding certifications such as Uptime Tier III Certification, Green Gold certification, ISO 27001, ISO 22301, and ISO 9001, this purpose-built facility underscores our commitment to reliability and environmental responsibility. Leveraging Software-Defined Network (SDN) architectures, the data centres are interconnected with high-speed links, enabling advanced Disaster Avoidance (DA) and Disaster Recovery (DR) solutions with consistently high availability ratings.

SLT's infrastructure also boasts the largest rack space in the country and seamless global integration via undersea cable systems, enhancing connectivity and data transmission capabilities, including customer bespoke solutions and working environments.

Protecting our Networks from Cyber Threats and Data Breaches

To protect our network infrastructure and safeguard critical information against cyber threats and potential data breaches, we have implemented a comprehensive set of security protocols that adhere to the rigorous guidelines of ISO 27001 (Information Security Management System), complemented by a Business Continuity Management System in line with ISO 22301 standards.

Our robust security strategy is based on a defense-in-depth framework and a zero-trust model, ensuring comprehensive protection across all networks, systems, and platforms. This is achieved through the deployment of advanced industry level security tools and the enforcement of well-defined internal policies and operational procedures.

Next Generation Firewalls, strategically positioned at our data centres, serve as the first defense against unauthorised access or any malicious traffic. To further secure sensitive data and ensure operational platforms remain accessible only to verified individuals, we have implemented a Privileged Access Management (PAM) system, which incorporates two-factor authentication and is supported by strict physical access controls. Additionally, we have implemented Endpoint Detection and Response (EDR) to safeguard our endpoints and servers. A Network Detection and Response (NDR) system has also been implemented to efficiently detect any anomalies in network traffic.

Our commitment to cybersecurity is strengthened by SLT's 24/7 Next-Gen Cybersecurity Operations Centre, which is equipped with a sophisticated Security Information and Event Management (SIEM) system. This facility offers enhanced detection and monitoring capabilities, enabling us to rapidly identify and respond to security incidents in real time across all operational domains.

Additionally, our Business Continuity Management system defines clear protocols for responding to cyberattacks, aiming to minimise impact and ensure the continuation of operations, guided by the expertise of our computer Security Incident Response Team (CSIRT).

🔗 Looking to the Future

- For 2025, the Group has allocated substantial resources toward energy management initiatives. As part of these efforts, the Group has already solarised remote stations and procured batteries to enhance the availability of rural network connectivity, addressing challenges posed by the rural power grid. Additionally, the solarisation of 1,200 stations is underway. Phase 1, comprising 400 stations, has been completed, while Phase 2, covering 800 stations, is currently in progress and is expected to be completed by the end of 2026.
- After successfully testing 5G technology in 50 trial commercial networks of Sri Lanka's major cities, we will move forward with expanding 5G projects and initiatives, leading up to the launch of commercial 5G services.
- GPU cluster on demand for the rising demand of hosting AI workloads.
- Energy efficient cooling for GPU workloads.
- In terms of network growth, we are expanding both our Fibre-to-the-Home (FTTH) and 4G networks to offer superior service to customers through both wired and wireless technologies. This expansion will also meet the needs of other telecommunications operators as well as the wholesale and enterprise sectors.
- To ensure seamless and faster access between our data centres, we are prioritising high-speed links with a capacity of 100 Gbps, catering to customer demand for improved speed and reliability. Additionally, with the expected surge in demand, we are pursuing partnerships to expand our data centre in Pitipana. The completion of the SEA-ME-WE 6 submarine cable by 2026, in conjunction with SLT's existing infrastructure in Colombo, Mt. Lavinia, and Matara, will open new opportunities to attract international hyperscalers and facilitate traffic routing to our data centres and networks.
- All the cloud platforms to obtain ISO 27017 for cloud security and ISO 27018 for data personally identifiable data protection.
- Energy efficient cooling for GPU work units

Intellectual Resources

➤ Unified Brand Strategy and Strengthened Market Position

In 2024, SLT continued to advance its transformation journey through the implementation of a cohesive and unified brand strategy. This approach aimed to reinforce our market presence by leveraging the combined strengths of our fixed, mobile, and digital services under a single, powerful identity. By aligning our brand touchpoints and messaging across all platforms, we enhanced customer recognition, trust, and engagement. Enhanced service quality, expanded coverage, and a superior brand experience have contributed to greater customer satisfaction and loyalty. Corporate and SME customers also benefit from integrated communication solutions designed to enhance efficiency and productivity, further solidifying SLT's position as a trusted partner in driving digital transformation.

➤ Evolving from Telco to Techco: Embracing Digital Transformation

With an expanded service portfolio and enhanced technological capabilities, SLT is strategically positioned to innovate, invest in advanced technologies, and compete effectively in the ever-evolving telecommunications market. This shift aims to deliver greater value to customers and stakeholders while addressing the demands of a rapidly changing digital landscape.

As part of this evolution, SLT has embarked on a gradual transition from a traditional telecommunications company to a technology-oriented company. This transformation focuses on providing personalised services, driving digitalisation, fostering innovation, and diversifying offerings anchored by seamless connectivity. Far from being a simple service upgrade, this shift is a strategic necessity for telecommunications companies to stay competitive and relevant amidst rising competition from tech giants like Google, Amazon Web Services (AWS), and Facebook, as well as media conglomerates and agile start-ups.

SLT's techco transformation is guided by its Company wide Digital Transformation programme – DIGIWAY, which follows a structured approach to ensure sustained progress. The benefits of this transition include a stronger competitive edge, diversified revenue streams, and the ability to thrive in the digital era whilst achieving operational excellence.

A key strength in this journey is SLT's focus on Artificial Intelligence (AI). The Company has initiated projects on building Data Analytics Use cases to drive Data driven decision making, building Data stewardship, establishing a Data Governance Framework and also projects on monetising data to support new revenue streams. Additionally, efforts are underway to upgrade critical infrastructure, including the retail and interconnect billing systems as part of a comprehensive billing consolidation project. This upgrade will modernise existing systems and align them with cutting-edge technology standards, reinforcing SLT's commitment to innovation and operational excellence.

➤ Operating Licenses: Empowering National Connectivity

Operating in a highly competitive yet heavily regulated industry, SLT continues to lead as Sri Lanka's licensed National Information and Communications Technology (ICT) solutions provider. The Company holds a range of operating licenses issued by the Telecommunications Regulatory Commission of Sri Lanka (TRCSL) and other authorities, reaffirming its pivotal role in the country's telecommunications landscape.

The primary operating licenses were renewed in 2022 for SLT and in 2023 for Mobitel. However, the intrinsic strategic value of these licenses is significantly higher, with a greater emphasis on the SLT Group's contributions to the industry.

Key licenses held by SLT Group include:

- Fixed Operator License (TRCSL)
- Mobile Operator License (TRCSL)
- Broadcasting License for Internet Protocol Television (IPTV) services (Ministry of Mass Media)
- Spectrum License (TRCSL)
- Vendor License (TRCSL)

➤ Driving Innovation and Operational Excellence

SLT has pioneered the development of various IoT applications, which are actively marketed to customers through enterprise channels. These innovations are complemented by a diverse portfolio of successful solutions, including a call-centre system, queue management solutions, and workflow optimisation tools. Notably, the call-centre solution is currently in use at leading organisations such as the Ceylon Electricity Board, the National Water Supply and Drainage Board, and the Sri Lanka Insurance Corporation Limited, underscoring its effectiveness and reliability.

As part of a Group-wide initiative to enhance operational efficiency, SLT has identified and modernised key processes. A significant milestone in this journey is the achievement of a paperless operation, with digitalisation efforts. This includes the implementation of a robust Document Management System (DMS) and the digital management of Enterprise Resource Planning (ERP) processes. These advancements highlight SLT's commitment to embracing streamlined, efficient, and future-ready operational practices.

SLT launched the first ever cloud native micro service enabled platform with DR and automation capabilities. The customer journey of cloud platforms are all digitalised.

➤ Fostering Innovation through "The Embryo" Initiative

SLT launched The Embryo, a dynamic multichannel innovation pipeline designed to develop cutting-edge digital solutions and elevate the nation's technological capabilities. This initiative brings together a diverse range of collaborators, including academic institutions, industry leaders, system integrators, and entrepreneurs, seamlessly integrating their expertise with that of the Group.

Intellectual Resources

The solutions developed under The Embryo span critical sectors such as agriculture, healthcare, education, manufacturing, and tourism, leveraging advanced technologies such as the Internet of Things (IoT), and AI, to address national needs. The initiative is driven by three strategic pillars: the Intrapreneurship Studio, the Entrepreneurship Studio, and the Venture Capital Studio, each focused on fostering innovation and driving impactful results. Together, these create a total innovation life cycle from ideation to commercialisation. Intrapreneurship Studio Programme 2024/25 culminated by releasing five solutions which demonstrate our capabilities in new product innovation, process, and OAM innovation and idea innovation.

Notably, "The Embryo" was also recognised by the accolades it won; this included awards from SLASSCOM Ingenuity Awards 2024, NBQSA Awards 2024, and TM Forum Digital Transformation World (DTW) 2024 and TM Forum Innovate Asia 2024 in AI and IoT. at the National Project Management Excellence Awards 2024. Additionally, the AI-powered Racoon-AI solution received a Gold Award in Robotics and Artificial Intelligence at the same awards, underscoring the commitment of initiatives to deliver transformative, technology-driven solutions.

➡ SLAACOM Ingenuity Awards 2024

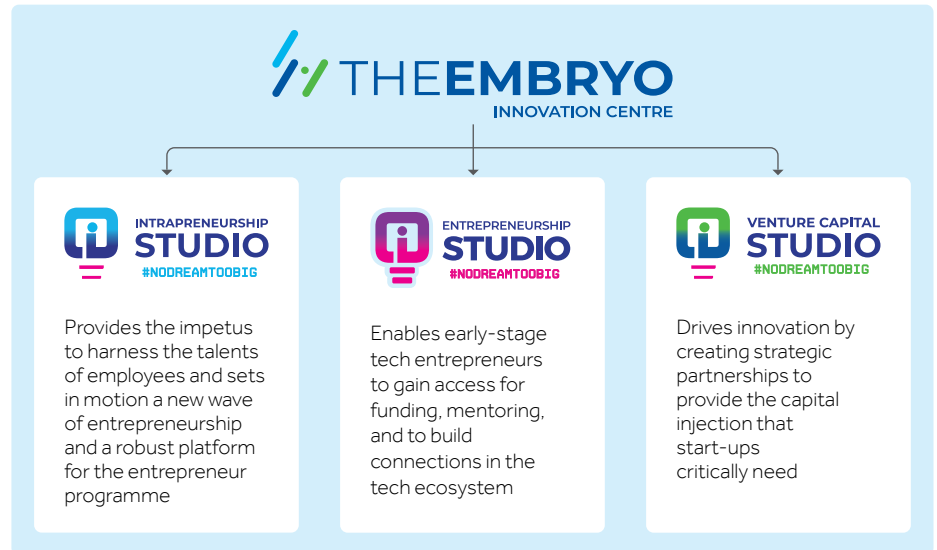
The Embryo's SenseGrid (IIOT based Smart Factory) secured a dual win, receiving both the National and Provincial award (Western Province) for the "Best Innovative Project/Product in Manufacturing". The SenseGrid solution leverages the power of IOT to simulate intelligent and effective factory environments.

➡ NBQSA 2024

SLT-Mobitel secured three awards for innovation at the NBQSA 2024. The most significant award was the Silver Award won by the SenseGrid IOT solution in the Industrial (Manufacturing) category.

TM Forum Awards

"The Embryo," received prestigious global recognition in 2024, securing awards at two major TM Forum events. At DTW 2024 in Copenhagen, the project was honoured with the Outstanding Catalyst Award for the Use of TM Forum Assets, acknowledging its effective application of industry frameworks. Additionally, at TM Forum Innovate Asia 2024 in Bangkok, it won the Outstanding Catalyst Award for Innovation & Futurism, reflecting its forward-thinking approach and potential to shape the digital future.



➡ Advancing Digital Transformation: A Strategic Approach

SLT employs a comprehensive and multifaceted digital transformation strategy aimed at fostering innovation and driving progress. The transformation journey began with an in-depth AS-IS study to evaluate existing people, processes, and technologies, laying the groundwork for a culture focused on innovation and continuous improvement.

Customer-centricity remains at the core of this strategy, with initiatives designed to streamline service delivery and automate workflows. Strategic investments in state-of-the-art software and hardware ensure alignment with the latest technological advancements.

Internal data analytics play a crucial role in optimising operations, while external insights gathered from market trends and social media help the Company stay attuned to customer needs and industry developments.

The adoption of agile methodologies enables swift adaptation to evolving market dynamics, while cross-departmental collaboration promotes continuous learning and innovation. Regular assessments and stakeholder feedback ensure the transformation strategy remains dynamic and effective, driving sustained progress.

This forward-thinking approach positions SLT as a responsive and adaptive telecom leader, capable of meeting both internal demands and external challenges in the digital era.

Intellectual Resources

🕒 Assessing and Advancing Digital Maturity

SLT conducted a detailed AS-IS study using the TM Forum's Digital Maturity Model (DMM) to evaluate the Organisation's current level of digital maturity. This analysis assessed six key dimensions Customer, Strategy, Technology, Operations, Data, and People and Culture based on the sub-dimensions and criteria outlined by the DMM framework. The study also identified specific internal advancements required through targeted sub-programmes and projects linked to digital transformation initiatives.

By measuring outcomes in both quantitative and qualitative terms, the Company ensures alignment with its transformation goals across defined time frames. This structured approach, grounded in the TM Forum framework, offers a clear roadmap for evaluating progress and driving continuous improvement. The blueprint for implementation has been finalised, and efforts are now focused on executing the necessary measures to achieve these goals.

To support this journey, SLT-MOBITEL has established a Digital Transformation Core Team and a Steering Committee led by the CEO and key Chief Officers from SLT and Mobitel. Additionally, six Centres of Excellence have been formed to provide specialised expertise and guidance, enhancing digital maturity across the six core dimensions.

🕒 Strategic Roadmap for Digital Transformation

Using the insights gained from the AS-IS study and the assessed digital maturity levels, SLT has established a target Digital Maturity Score aligned with its strategic objective of evolving from a Telco to a Techco. To achieve this vision, a comprehensive Strategic Blueprint was developed, comprising five sub-programmes within the Digital Transformation (DT) framework. These sub-programmes are driven by 30 defined projects aimed at steering the Organisation's digital transformation journey.

This enhanced digital maturity will boost SLT's competitiveness, improve responsiveness to market demands, and position the Organisation to capitalise on opportunities arising from Sri Lanka's digital economy. The five sub-programmes focus on:

1. Customer Centricity
2. Achieving Operational Excellence
3. Becoming Data-Driven
4. Employee Empowerment and Digital Enablement
5. Innovative and Future-Proof Technology Enablement

The successful execution of these projects, along with the achievement of related KPIs, will enable the Group to meet its overarching business objectives.

In an industry marked by rapid technological evolution, SLT recognises the critical importance of nurturing its human resources. Staff are being equipped with training not only in technology but also in market and business acumen to meet both present and future challenges. Furthermore, the Organisation prioritises attracting, retaining, and developing top talent. The numerous awards received (refer to pages 12 and 13) reflect SLT's diverse strengths and accomplishments, underscoring its commitment to excellence.

🕒 Enhancing Customer Experience Through Digital Transformation

SLT's digital transformation is focused on improving service delivery and enhancing customer convenience through seamless digital interactions. Customers can now easily connect with SLT via digital platforms such as the MySLT app, Selfcare portal, and ChatBot, providing greater flexibility and accessibility.

The Selfcare portal allows customers to check the availability of Fibre-to-the-Home (FTTH) connections, make payments, and initiate installation all in a few simple steps. Additionally, SLT offers the 'Life at 300Mbps' plan, providing 300Mbps download and 150Mbps upload

speeds at no extra cost to all existing and new fibre subscribers on monthly packages. To ensure seamless performance, SLT has also expanded network capacity, maintaining speed and reliability even during peak usage hours.

This threefold speed upgrade enhances HD streaming, faster downloads, smooth online gaming, and high-quality video calls, creating a superior digital experience. By continually investing in high-performance internet solutions, SLT empowers customers to stay connected, productive, and engaged in an increasingly digital world.

🕒 Harnessing Tacit Knowledge for Organisational Growth

SLT Group's strategy prioritises the cultivation of internal talent through engaging workshops and knowledge-sharing initiatives, showcasing its commitment to tapping into the wealth of tacit knowledge within the organisation. This approach fosters a culture of continuous learning and innovation, driving the Company's growth and underpinning its success. By valuing and leveraging the expertise of its people, SLT Group ensures a sustained trajectory of progress and achievement.

🕒 Tacit Knowledge Initiatives

- Enabling staff members to obtain professional qualifications and join professional bodies related to their job function.
- Continuation of the Executive Development Programme (EDP).
- Offering internship opportunities and industrial exposure to undergraduates and students of leading universities, tertiary colleges, professional bodies, and recognised institutes.
- Encourage ex-SLT employees to work as resource persons in SLTMobitel Nebula Institute of Technology.
- SLT employees working as resource persons in various Talent Development Exercises.

Intellectual Resources

🕒 **Cultivating a Dynamic and Inclusive Corporate Culture**

SLT's corporate culture has evolved to match the fast-paced nature of the telecommunications industry and its transition towards becoming a technology-driven company.

The culture at SLT embodies a strong foundation of ethics, innovation, continuous learning, and social responsibility. Teamwork, dedication, loyalty, and inclusivity have naturally emerged through the collective efforts of employees, forming the core values of the Organisation. Cross-functional collaboration is at the heart of SLT, facilitating effective cooperation across departments to meet shared goals. As the Company integrates its operations, breaking down legacy silos and working together more cohesively has become even more essential.

Innovation thrives within SLT through a culture of experimentation, where employees are encouraged to think creatively and take calculated risks. The Company nurtures a strong commitment to continuous learning, empowering employees to grow their skills and knowledge. SLT, in turn, provides the resources necessary for employees to reach their full potential.

Social responsibility is a fundamental aspect of SLT's culture, with employees actively participating in community initiatives and charitable efforts, reflecting the Company's core values of giving back and making a positive difference.

🕒 **Strategic Relationship Building**

Advancing Professional and Business Excellence

Demonstrating its leadership in corporate engagement, SLT actively partnered with prominent industry organisations to foster innovation, knowledge exchange, and professional growth. In 2024/25, SLT proudly served as the Official Telecommunication Partner for a series of high-profile events organized by the Sri Lanka Institute of Marketing (SLIM), including the National Sales Awards, DIGIES, EFFIES, SMEDA, and AGRISAVIYA.

The Company also took center stage as the Principal Sponsor of Techno Sri Lanka 2024, reaffirming its dedication to engineering and technological progress. As a Strategic Partner of the Global CEO Forum, Awards and Conclave 2024, SLT facilitated the exchange of global insights and leadership expertise. Its sponsorship of the 42nd National Information Technology Conference (Gold Sponsor) and the BNI Sri Lanka National Conference (Silver Sponsor) further reflected its ongoing commitment to digital transformation and cross-sectoral professional development.

🕒 **Fostering Sportsmanship and National Unity**

In a celebration of tradition and youth empowerment, SLT lent its support to prestigious sporting events that embody the spirit of community and national pride. As Platinum Partner of the 94th Battle of the Maroons and Principal Sponsor of Trinity College Rugby 2024, SLT helped nurture teamwork, discipline, and leadership in the next generation of athletes.

SLT's exclusive partnership with the Sri Lanka Tennis Association and sponsorship of the Hill Club Annual Ranking Tennis Tournament underscored its drive to elevate tennis as a leading sport across the island.

🕒 **Celebrating Cultural Heritage and National Harmony**

SLT remained a steadfast advocate for Sri Lanka's cultural and religious legacy by supporting major national events. In collaboration with Mobitel, SLT sponsored the iconic Nawam Maha Perahera 2024, a vibrant display of cultural pride. Additionally, its partnership with the Presidential Secretariat for the Sinhala and Hindu New Year Festivals underscored SLT's commitment to fostering unity and cross-cultural celebration.

🕒 **Empowering the Future through Education and Innovation**

Education and innovation continued to be central to SLT's social impact initiatives in 2024. As a proud sponsor of Cutting Edge 2024, the flagship innovation showcase by the Institute of Information Technology (IIT), SLT offered a national platform for students, researchers, and entrepreneurs to present groundbreaking ideas. This initiative reaffirmed SLT's role in cultivating a future-ready, digitally skilled workforce.

🕒 **Strengthening Social Bonds and Community Networks**

By supporting events like Kandy Bash 2024, which brought together alumni from top Colombo schools, SLT reinforced its role as a connector of people and communities. These initiatives reflect the Company's broader mission: to build a digitally empowered, socially cohesive Sri Lanka where connections both digital and personal thrive.

Environment

52

Environment



Environment

Sri Lanka Telecom PLC (SLT) anchors its Environment, Social, and Governance (ESG) strategy on three core pillars: nature, education, and health. This makes it seamlessly aligned with the 17 United Nations Sustainable Development Goals (UN SDGs). This strategic alignment ensures a comprehensive approach to sustainability, fostering environmental stewardship, social impact, and ethical business practices.

Reinforcing its commitment to sustainability, SLT joined the UN Global Compact (UNGC) Network Sri Lanka in 2024, aligning its operations with globally recognised principles on human rights, labour, environment, and anti-corruption. This engagement further solidifies SLT's position as a key advocate for sustainable business practices within the telecommunications sector.

With a view to enhancing the governance and execution of its ESG initiatives, SLT established an ESG committee during the year, chaired by the CEO. This high-level committee underscores the organisation's focus on embedding sustainability into its core operations, while ensuring accountability and effective oversight.

Under the Environment pillar, SLT focuses on three critical sub-pillars: energy management, waste management, and environmental preservation. SLT has also formed cross-functional committees led by Senior Management, in order to drive progress in these areas, and ensure the impactful execution of its sustainability objectives.

🔄 Comprehensive Sustainability Management at SLT

SLT adopts a holistic approach to ensure environmental sustainability across all facets of its operations, personnel, and partnerships. Environmental considerations are seamlessly integrated into strategic planning and decision-making processes, supported by clearly defined sustainability goals and targets.

SLT has made significant investments in advanced technology and infrastructure to minimise its carbon footprint and reduce environmental impact. The organisation actively fosters a culture of environmental responsibility by empowering employees through targeted training and awareness programmes. Beyond internal practices, SLT collaborates with suppliers, partners, and stakeholders to champion sustainable practices across its entire supply chain. SLT exemplifies its commitment to protecting the environment while delivering responsible and ethical telecommunications services, by embedding sustainability into all operational levels across the organisation.

SLT also aligns its environmental sustainability initiatives, reinforcing its commitment to sustainable business operations. The Company is dedicated to implementing sustainable practices, promoting recycling, adhering to regulatory requirements, and fostering environmental awareness among stakeholders.

🔄 Driving Environmental Sustainability across Operations

SLT is on track to align with global energy and environmental standards. The Company aims to achieve ISO 50001:2018 certification for energy management, aligning with Sri Lanka's national energy management policy, and expects to secure ISO 14001:2015 Environmental Management System (EMS) certification.

Energy efficiency remains a cornerstone of SLT's sustainability strategy. The organisation prioritises adopting renewable energy sources and implementing energy-efficient technologies to reduce energy consumption and carbon emissions. Waste management is also a key focus, with initiatives to minimise waste generation, implement recycling programmes, and ensure environmentally sound disposal methods.

Additionally, SLT demonstrates its commitment to environmental preservation through efforts such as conserving natural habitats, protecting biodiversity, and engaging in reforestation projects to offset its ecological footprint. As part of its ISO 14001:2015 EMS policy, SLT is committed to reducing adverse environmental impacts in daily business operations. This includes optimising space utilisation, minimising waste, reducing energy consumption, and ensuring environmentally responsible business practices.

🔄 Aligning Energy Policy with Corporate Responsibility

SLT's energy policy reflects its dual commitment to business excellence and social responsibility. Guided by the ISO 50001:2018 framework, SLT is committed to optimising energy use in the most efficient, cost-effective, and environmentally responsible manner. This policy not only aligns with SLT's financial objectives but also reinforces its dedication to corporate social responsibility, by ensuring that its operations and services contribute to a sustainable future.

Through this comprehensive approach, SLT is setting an industry benchmark for balancing environmental sustainability with operational excellence.

Environment

Environment, Social and Governance (ESG) strategy



Our commitment to energy conservation is driven by the following key initiatives:

- **Empowering Employees:** Enhancing environmental awareness across the Organisation through targeted training and education.
- **Responsible Energy Usage:** Managing energy consumption and reducing carbon emissions by leveraging energy-efficient technologies and prioritising eco-friendly energy sources.
- **Sustainable Decision-Making:** Embedding efficient energy management as a core factor in all business decisions.
- **Continuous Improvement:** Regularly reviewing energy objectives and targets while fostering awareness among stakeholders to drive sustained progress.
- **Proactive Auditing:** Conducting energy audits to identify inefficiencies and implementing timely corrective actions.
- **Partner Engagement:** Collaborating with business partners to encourage responsible energy practices and shared sustainability goals.

- **Community Awareness:** Promoting energy conservation as a lifestyle among employees and their families, inspiring a culture of sustainability beyond the workplace.
- **Subsidiary Integration:** Expanding SLT's energy management culture to all subsidiaries, ensuring alignment with corporate sustainability objectives.

This policy applies across all SLT business units and employees, reaffirming our commitment to energy efficiency and environmental stewardship. By instilling a robust culture of energy conservation, SLT continues to lead by example in the journey toward a sustainable future.

🔗 **Energy management: A Commitment to Sustainability**

SLT's energy management is overseen by cross-functional committees, ensuring robust monitoring and strategic implementation across all operations. While the majority of SLT's energy consumption stems from network operations. The buildings are designed with sustainability in mind, incorporating features such as solar panels, natural lighting, and advanced insulation to reduce electricity use and carbon emissions.

By prioritising energy-efficient infrastructure, SLT not only minimises operational costs but also significantly reduces its environmental footprint. The Company's proactive approach includes investments in eco-friendly technologies, renewable energy sources, and energy-efficient systems such as LED lighting, air conditioning, and switch-mode rectifiers. In 2024 SLT has introduced approximately 2,000 units of energy-efficient lighting and installed about 180 energy-efficient air conditioners, replacing outdated systems to further drive energy savings.

A cornerstone of SLT's energy strategy is the installation of solar panels to reduce reliance on the national grid. Moving forward, SLT is implementing a plan to install around 200 rooftop solar power stations with a total capacity of 6,000 kW. In 2024, solar systems with a total installed capacity of 620 kW was added. The remaining 5,380 kW will be installed by the end of 2026. These efforts are expected to enable SLT to achieve 10% of its energy requirements through renewable sources within the next two years.

SLT's focused initiatives have delivered measurable results. The introduction of energy-efficient LED bulbs has saved approximately 600 MWh annually, while the adoption of inverter-type air conditioners

Environment

has contributed to an additional 550 MWh in energy savings. In addition, SLT has taken steps to reduce its carbon footprint by optimising its vehicle fleet. Previously, the head office relied on 75 vehicles to meet transportation needs; this has been streamlined to a pool of 20 vehicles. Looking ahead, SLT plans to introduce ride-sharing solution, where vehicles are allocated on-demand for maintenance teams, eliminating the need for permanent vehicles and enhancing overall efficiency.

SLT has successfully introduced a fuel card system for 90% of its vehicle fleet, enabling streamlined and transparent fuel management. This system clearly tracks the consumption of both petrol and diesel, ensuring greater accountability and operational efficiency.

Moreover, it serves as a critical tool to accurately measure the fleet's carbon emissions, supporting SLT's commitment to environmental sustainability and aligning with global ESG and carbon reporting standards.

SLT recognises the challenges of grid-based energy, including high costs, seasonality issues tied to hydropower, and frequent power outages. By transitioning to renewable energy and expanding self-reliant systems, SLT mitigates these risks while strengthening its environmental credentials. The Company's strategic investments in solar power, energy-efficient infrastructure, and optimised transportation solutions position it as a leader in sustainable telecommunications operations.

🔄 **Mobitel's Renewable Energy Initiatives**

Over the past years, Mobitel has faced a surge in annual network energy costs driven by escalating electricity and fuel tariffs. Energy now accounts for the single largest cost in network operations. To combat this challenge and ensure business resilience, Mobitel is actively transitioning to renewable energy solutions, reducing reliance on commercially purchased power and fossil fuels. This strategic shift not only lowers costs and emissions but also strengthens the sustainability of Mobitel's operations.

Mobitel is leading the charge in clean energy adoption:

- **Phase 1 Success:** Solar power solutions were deployed at 400 network sites, adding 2,300 kW of renewable energy capacity. This deployment ensures that 3% of the total network energy demand is now met through clean, renewable sources.
- **Enhanced Network Resilience:** The addition of alternative energy sources has improved network availability during power outages, reinforcing operational stability.
- **Towards Net-Zero Goals:** These efforts align with Mobitel's commitment to achieving net-zero carbon emissions by 2040, reducing environmental impact and fostering a greener future.

🔄 **New ESG Theme: "Co-Connection"**



Under its new ESG theme, "Co-Connection," SLT-Mobitel integrates environmental and social responsibility with its core operations. This theme underscores the Company's commitment to connecting people, businesses, and the environment for shared growth and sustainability. Key focus areas include renewable energy, ecosystem restoration, and community engagement, ensuring a balanced approach to ESG goals and business transparency.

By integrating renewable energy into its operations and spearheading impactful environmental initiatives, SLT continues to lead the way in sustainability. With the launch of innovative ESG strategies, SLT exemplifies the transformative power of corporate responsibility. These efforts not only enhance operational resilience but also contribute to a healthier, greener planet.

🔄 **Energy Efficiency Measures: Reducing Wastage and Optimising Use**

SLT has taken decisive steps to minimise energy wastage by implementing practical and impactful measures across its operations. Key initiatives include:

- Preventing air-conditioning leaks to avoid energy loss.
- Shutting down idle equipment and turning off lights, computers, and air conditioners when not in use.
- Replacing outdated and inefficient equipment with energy-efficient alternatives.
- Implementing load shifting to optimise energy distribution.
- Consolidating equipment and power systems into common rooms to maximise energy efficiency.

These efforts reflect SLT's commitment to integrating energy-conscious practices as a core pillar of its operations.

Furthering the effort to instill energy-saving awareness among employees, SLT organised an engaging and educational "Energy Week" across the organisation. Highlights of the initiative included:

- **Hands-on Training:** Practical workshops for network teams to familiarise themselves with energy-efficient practices.
- **Interactive Activities:** Daily quiz programmes to test and expand energy knowledge.
- **Creative Engagement:** An art competition for employees' children, emphasising the importance of energy conservation.

To encourage participation, winners of these activities were rewarded with prizes, reinforcing the importance of collective responsibility in energy management.

Environment

🔄 Progress towards Carbon Neutrality: Leading the Way

Since obtaining its initial Carbon Assessment ISO Standard in 2018, SLT has diligently tracked its emissions and implemented eco-friendly practices to systematically reduce its carbon footprint. Guided by a well-defined roadmap, the Company is on a mission to achieve carbon neutrality by 2040, a decade ahead of Sri Lanka's national target of 2050. SLT's ambitious sustainability goals underscore its leadership in environmental stewardship. By aligning its energy efficiency measures with a larger vision for carbon neutrality, SLT demonstrates a strong commitment to a greener future, setting benchmarks for the telecommunications industry and beyond.

🔄 Waste Management Strategies: Driving Sustainability through Innovation

SLT places waste management at the forefront of its environmental sustainability efforts, implementing robust policies and conservation initiatives that align with national regulations and global standards. As a company operating in a high-tech industry with significant e-waste potential, SLT ensures the responsible disposal and recycling of electronic components while fostering awareness among employees and stakeholders.

To tackle the challenges of e-waste, SLT has implemented a multifaceted approach:

- Segregation and processing: E-waste is carefully sorted and processed for recycling or safe disposal.
- Refurbishment and redistribution: Functional or repairable electronic devices are refurbished and redistributed, extending their lifespan and reducing the need for new products.

- To ensure responsible and environmentally compliant disposal of electronic waste, SLT has selected e-waste management suppliers registered with the Central Environmental Authority (CEA). This initiative reinforces our commitment to sustainable practices by promoting the safe, ethical disposal of e-waste across all operations ensures eco-friendly recycling practices, with components separated and recycled in compliance with environmental regulations.

SLT actively promotes awareness about sustainable waste practices:

- Employees and stakeholders are encouraged to participate in recycling programmes.
- Educational initiatives underscore the importance of reducing, reusing, and recycling materials such as paper, food, and electronics.

In line with the principles of the circular economy, SLT's strategies aim to maximise resource efficiency by keeping materials in use for as long as possible.

- **Paper:** Digitalisation initiatives, electronic documentation, and a robust paper recycling programme significantly reduce paper waste.
- **Food:** Food waste is minimised through segregation and proper disposal practices.

SLT minimises e-waste by adopting sustainable procurement practices, selecting durable and upgradeable equipment, and extending the lifespan of electronic devices through regular maintenance. Functional equipment, including end-of-life units from client premises, is refurbished and redeployed, giving them a second life.

SLT operates an in-house copper recycling plant, recovering 11,800 kg of copper in 2024. Recycled copper is sold to suppliers, reducing the environmental cost of mining new copper while creating employment opportunities. Mobitel, a subsidiary, follows similar practices for material and equipment disposal.

🔄 ISO 14001:2015 Certification: Strengthening Environmental Responsibility

In line with its unwavering commitment to environmental sustainability and international best practices, SLT is pursuing ISO 14001:2015 Environmental Management System (EMS) certification for its Head Office premises in 2025. Achieving this significant milestone will underscore SLT's strategic commitment to enhancing environmental performance, optimising resource use, and minimising emissions through robust systems and processes.

SLT's EMS framework is built upon its Environmental Management System Policy, which aligns with the core principles of the Green Building Council of Sri Lanka (GBCSL). Key focus areas include:

Reducing or eliminating adverse environmental impacts in accordance with GBCSL green rating standards

Ensuring strict compliance with environmental regulations, statutory frameworks, and contractual obligations

Promoting recycling and green initiatives, preventing environmental pollution, and implementing sustainable business processes that optimise space utilisation, minimise waste, and reduce energy consumption

Engaging stakeholders to foster a culture of environmental responsibility across all operational levels

The ISO 14001:2015 certification not only reinforces SLT's position as a responsible corporate citizen but also enhances its competitive advantage in the telecommunications sector. It demonstrates SLT's readiness to meet the expectations of environmentally conscious customers and stakeholders who increasingly value sustainable business practices.

Environment

🔄 Restoring Ecosystems and Strengthening Biodiversity Conservation

SLT-Mobitel remains steadfast in its commitment to environmental sustainability through active reforestation and conservation initiatives aimed at restoring biodiversity and mitigating ecological degradation. The Company is committed to collaborating with corporates, NGOs, government agencies, enhance air quality, support wildlife habitats, and contribute to carbon sequestration, reinforcing a more harmonious balance between business operations and nature.

In a significant partnership with the Ministry of Environment, SLT-Mobitel commemorated World Seagrass Day 2024 and the UN Restoration Flagship Award, celebrating Sri Lanka's success in mangrove restoration. To raise awareness of mangroves' role in climate resilience and biodiversity, the Company unveiled its 2024 calendar, themed The Mangrove Ecosystems in Sri Lanka, featuring 12 artistic illustrations that highlight their importance in climate change mitigation and carbon storage.

Furthering its conservation efforts, SLT-Mobitel launched a five-year Mangrove Restoration Project in collaboration with the Department of Forest Conservation, rehabilitating 4.2 hectares of abandoned shrimp farms in Pubudugama, Wanathavilluwa. This initiative aligns with UN Sustainable Development Goals (SDGs 13, 14, and 15) and the Kunming-Montreal Global Biodiversity Framework, while also fostering economic benefits for local communities through job creation, improved water quality, and enhanced marine resources.



"Mangrove restoration project"

🔄 Collaboration with Stakeholders for Sustainability

SLT recognises the vital role of environmental education in shaping a sustainable future. Through impactful campaigns, workshops, and strategic partnerships with environmental organisations, SLT promotes eco-consciousness among employees, customers, and the broader community. By highlighting environmental issues and encouraging sustainable practices, we empower stakeholders to make informed, collective decisions in the fight for environmental protection.

SLT is proud to have received membership in the UN Global Compact Network Sri Lanka, marking a significant step in aligning our Environmental, Social, and Governance (ESG) strategy with global best practices. This membership enables us to streamline our ESG initiatives and actively contribute to the achievement of the United Nations Sustainable Development Goals (UN SDGs).

SLT actively engages with stakeholders to raise awareness of environmental protection and responsibility, ensuring a collaborative approach to sustainability efforts.

SLT's commitment to sustainability extends to its entire supply chain. Through the 'iSupplier' online platform and collaboration with vendors, suppliers, and stakeholders, we ensure sustainable sourcing practices and environmental responsibility at every level. Educating our supply chain partners about best practices ensures a unified approach to achieving SLT's environmental goals.

SLT continuously pursues improvement by implementing sustainable initiatives and refining its processes in accordance with its ISO 14001:2015 EMS policy.

🔄 Fostering a Green Workplace Culture

SLT actively drives sustainability within the organisation through comprehensive employee initiatives focused on environmental education, energy efficiency, and waste reduction. By embedding sustainability into everyday practices such as energy-efficient office spaces and eco-conscious procurement policies SLT fosters a culture where green principles thrive. Employees are recognised and incentivised for outstanding sustainability efforts and are encouraged to propose innovative projects to enhance the workplace's environmental footprint. This collaborative approach fuels a sense of ownership, empowering employees to lead the charge in creating a greener, more sustainable future.

Social

59

Customers

69

Portfolio
Review

75

Our Global
Brand

76

Employees

87

Partners
and Suppliers

90

Community
and Country

Social



Employees

SLT's leadership as a pioneer in Sri Lanka's telecommunications value chain is primarily attributed to the dedication and contributions of its employees. The Company's continuous investments in the enhancement of employee capabilities, professional development, and overall well-being foster a highly engaged and motivated workforce. This commitment ensures the delivery of exceptional value to customers, partners, communities, and the nation. For further insight into the strength of our human capital and our approach to human resource management, please refer to pages 76 to 86.



Customers

SLT's offerings are designed to meet the needs of a diverse customer base, encompassing individuals, households, businesses, government institutions, and other entities within the telecommunications value chain. As an industry leader, our services extend beyond national borders, catering to global carriers and international clients. For a detailed overview of our customer value proposition, the extensive range of products and services we provide, and our initiatives aimed at ensuring an exceptional customer experience, please refer to pages 59 to 68.



Partners and Suppliers

In a dynamic and rapidly evolving IT and communications ecosystem, collaboration with both global innovators and local partners creates synergies across the value chain, ultimately enhancing the value delivered to customers. Pages 87 to 89 provide an in-depth look at our relationships with business partners and suppliers, highlighting how the sharing of expertise and resources contributes to the creation of value for all stakeholders.



Community and Country

As Sri Lanka's leading National Information and Communication Technology (ICT) solutions provider, we acknowledge the transformative impact of our services. Our initiatives are focused on advancing national development and improving the ways in which individuals communicate, innovate, and access essential services. These efforts consistently make a positive difference in the lives of millions of Sri Lankans every day. Pages 90 to 92 provide a detailed overview of our direct initiatives and projects, their resulting impact, and the broader value generated for the country and society.

Customers

At SLT, our customers are central to everything we do. In 2024, we advanced our commitment to delivering exceptional customer experiences across all segments, residential, SME, enterprise, government, and international by offering innovative, high-quality, and value-driven ICT solutions.

SLT focused on enhancing digital engagement through self-service portals, mobile applications, and omnichannel customer support. Improved responsiveness, user-friendly interfaces, and proactive service updates contributed to a seamless and satisfying customer journey. Tailored solutions, loyalty programs, and flexible service bundles helped strengthen customer relationships and satisfaction.

For our enterprise and government clients, we provided end-to-end digital infrastructure, cloud, cybersecurity, and managed services, enabling them to drive efficiency and innovation. Through ongoing engagement, we continued to evolve our offerings to meet complex, sector-specific demands.

Internationally, SLT delivers services through its global arm, Xyntac, which connects Sri Lanka to the world via a robust global network. Xyntac offers international voice, data, connectivity, and digital services to global carriers, multinational enterprises, and regional telecom operators. In 2024, we strengthened Xyntac's capabilities and partnerships, further expanding our global footprint and supporting cross-border business continuity and digital collaboration.

Customer feedback continues to inform our service improvements, while our commitment to reliability, transparency, and innovation remains unwavering. As we move forward, SLT remains dedicated to building lasting customer relationships locally and globally through service excellence and digital empowerment.

🔗 Empowering Consumers with Seamless Connectivity and Digital Solutions

Sri Lanka Telecom (SLT) is committed to delivering high-quality, fibre-based broadband, mobile solutions, entertainment services, and

fixed-line communication to households and individuals across the island. Our nationwide presence fosters enduring customer relationships, setting us apart in the industry. With an extensive network of touchpoints including localised regional teams and a strong dealer channel network we drive customer acquisition and provide seamless support.

Our approach integrates external dealers in fixed-line services and a robust dealer network in mobile services, ensuring extensive market reach and revenue generation. By leveraging these synergies, we continue to strengthen our position in Sri Lanka's consumer segment.

We offer:

- Fixed and mobile voice and data connectivity
- Bouquet of IPTV channels on PEOTV
- Value added services (VAS)
- Smart services
- Smart home, networking, and premises solutions
- Smart storage
- Digital and AI solutions

🔗 Empowering Digital Lifestyles with eTeleshop

SLT launched eTeleshop, an enhanced online platform offering a wide range of tech products from routers and smart devices to mobile accessories. E-teleshop is designed to make digital shopping easier and more accessible for all Sri Lankans. This initiative reflects SLT's continued commitment to supporting the nation's digital journey and helping customers stay connected in a smarter, more convenient way.

Strategic Growth Directives

Fixed-Line Services: Advancing Fibre Connectivity

Recognising the global shift towards fibre-optic technology, SLT has made fibre-to-the-room (FTTR) a central pillar of its strategy. The high bandwidth, ultra-fast speeds, and low latency of fibre make it an essential component of modern digital lifestyles.

While we had already invested in a cutting-edge fibre-optic backbone network, further capital expenditure (capex) was allocated

for last-mile connectivity to homes. By employing a proactive catchment-area strategy, we aligned infrastructure expansion with areas of high customer potential.

SLT offers 4G LTE Home Broadband providing a reliable and convenient solution to meet the needs of clients who prefer wireless connectivity. Our plug-and-play devices and diverse data packages offer flexibility to meet varying customer needs. However, economic challenges in Sri Lanka have led to increased churn rates. To address this, we have implemented enhanced sales validation measures to ensure sustainable customer acquisition.

Strategic Product Innovation and Customer-Centric Transformation at Mobitel

In 2024, Mobitel, the mobile arm of SLT undertook a strategic product rationalisation initiative to sharpen its offerings, improve agility, and enhance customer value. Key innovations included tailored mobile broadband plans, eSIM-based solutions, and specialised Post-Paid packages for government employees and families. Tourist-focused services, including eSIMs and digital travel tools, further strengthened Mobitel's position as a trusted connectivity partner.

Affordable international roaming, VoLTE-enabled voice services, and an expanded suite of Value Added Services ranging from entertainment and HealthTech to digital ticketing deepened customer engagement. The device strategy and loyalty programmes such as M Rewards and Club Magnate also contributed to improved retention and satisfaction.

These efforts reflect Mobitel's commitment to delivering relevant, digitally inclusive solutions aligned with the Group's long-term growth strategy.

🔗 Unmatched Entertainment and Original Content Through PEOTV

In 2024, PEOTV continued to lead the market by offering the most extensive selection of high-definition content, including exclusive international programming, local Free-to-Air channels, and HD movie premieres not available on competing platforms. In addition to licensed content, PEOTV expanded its

Customers

portfolio of original programming, with proprietary offerings such as "Charana TV," accessible across PEOTV, PEO MOBILE, cable television networks, and YouTube ensuring a seamless and flexible viewing experience for customers. PEOTV also strengthened its focus on family and children's content with the introduction of engaging and educational titles like "Cocopalooza" and "Sootikka," as well as a curated selection of animated music and digital storybooks. These were specifically developed for digital platforms such as PEOTV and PEO MOBILE, reinforcing the brand's commitment to delivering safe, high-quality entertainment for all age groups.

➔ Empowering Enterprises with Digital Innovation

As the National ICT Service Provider, SLT continues to empower organisations with a comprehensive suite of enterprise and digital products that support operational efficiency, scalability, and digital transformation. These offerings are structured around seven key product categories including Networking, Enterprise Voice, Business Internet, Cybersecurity, Cloud Services, Data Center Solutions, and Digital Products.

➔ Enterprise Portfolio Highlights

SLT offers an extensive portfolio of enterprise-grade solutions tailored to meet the diverse and evolving needs of businesses.

Cloud Services	Scalable and secure cloud services are offered under Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS) models through the Akaza Multi Cloud platform, enabling efficient data and application management while also providing private cloud options to ensure data sovereignty and supporting both cloud-native development and the reliable performance of mission-critical applications.
Cybersecurity	Delivering robust protection across cloud environments, networking infrastructure, and digital applications, SLT offers a comprehensive range of cybersecurity services including managed firewalls, endpoint detection and response (EDR), security information and event management (SIEM), and continuous monitoring safeguards critical enterprise assets from digital threats.
Data Center Services	SLT's secure and resilient Tier III data center infrastructure provides co-location, disaster recovery, and business continuity services, ensuring the availability and integrity of mission-critical systems.
Voice and Collaboration	Business-grade voice services such as Hosted PABX and Call Centre services enhance communication, collaboration, and customer engagement.
Next Generation Networking (NGN)	High-performance connectivity is delivered through dedicated leased lines, and Premium IPVPN. Additionally, SLT's SD-WAN solution improves network flexibility, security, and performance across geographically dispersed business locations.
Digital Products and Services	A suite of cloud-based enterprise applications including ERP, HRIS, e-learning platforms, and fleet management solutions support operational excellence and digital innovation.
Business Internet	SLT offers a dedicated, reliable business internet line to move your business forward with the fastest speeds. The reliable, direct connectivity of SLT business internet boasts the worldwide ISPs to ensure optimized internet connectivity beyond 10Gbps upload and download speeds delivered with the lowest latency. This dedicated bandwidth guarantees high performance, reliability, and unmatched speeds.
Akaza Containers	SLT introduced Sri Lanka's first-ever private container solution with Akaza Containers, a state-of-the-art platform developed in collaboration with Red Hat OpenShift. Purpose-built for the enterprise and government sectors, this strategic solution addresses the increasing demand for secure and scalable containerized environments. It ensures critical factors such as data sovereignty, data residency, and low latency, making it ideal for high-performance enterprise and government operations.
AI Capabilities	SLT has embedded advanced AI capabilities across several of its enterprise services to elevate performance, efficiency, and user experience. Its cybersecurity portfolio now features AI-driven threat intelligence that enables real-time threat detection, predictive analytics, and automated incident response. In the digital HRIS suite, AI enhances operational workflows with smart recruitment tools, predictive workforce analytics, AI-powered chatbots, and a Learning Management System (LMS) equipped with AI-assisted course creation and assessment tools. These intelligent upgrades allow SLT to offer future-ready, innovative digital services, helping businesses optimize operations, make informed decisions, and maintain a competitive edge in today's rapidly evolving digital world.
Enterprise Wi-Fi	This delivers Wi-Fi 6 enabled wireless connectivity requirements with security and scalability.

Customers

With these solutions, SLT continues to play a vital role in enabling enterprise growth and driving Sri Lanka's digital economy, reinforcing its commitment to delivering value through innovation, reliability, and service excellence.

Key Achievements in 2024

A few notable accomplishments during the year that underscore our continued commitment to delivering value and innovation to our customers

- Attained Cisco Premier Integrator status in the India Sub-Continent - SLT has been certified as a Cisco Premier Integrator in the India Sub-Continent, recognising its expertise and commitment to delivering Cisco solutions with excellence across the region.
- Premier partner of Broadcom; to provide VMware based next Gen Cloud services
- Reaching Advanced Partner status with Fortinet; highlights our proven expertise in delivering comprehensive Fortinet solutions to meet the diverse and complex needs of businesses in Sri Lanka.
- Received a Merit Award for AkazaHR at the National ICT Awards – NBQSA 2024 – in recognition of its innovative approach to cloud-based human resource management and its impact on digital transformation in the enterprise sector.

Delivering Value to Micro, Small, and Medium Enterprises (MSMEs)

Empowering Micro, Small, and Medium Enterprises (MSMEs) remains a core strategic focus under our mission to Drive a Smarter Sri Lanka. Our cost-effective enterprise services provide MSMEs with access to digital transformation opportunities, allowing them to streamline operations, enhance efficiency, and adapt to changing market dynamics.

BizLife, SLT DataOne, and Hosting Cub

SLT's Biz Life packages provide a comprehensive and affordable all-in-one solution to businesses looking to develop and grow. While meeting voice and data needs of small businesses, the

package also incorporates other ICT needs such as heightened security, in an affordable, efficient, trouble-free package. DataOne provides bulk data facilities for all the operations or divisions of a business enterprise, whilst the Hosting Cub facility enables shared and VPS hosting services based on a company's requirements. Together, these packages provide MSMEs with customised solutions to launch their digital presence.

Our nationwide network of sales dealerships ensures that cutting-edge technology is available to businesses across Sri Lanka, providing a one-stop solution for MSMEs seeking to integrate digital tools into their operations.

As a national ICT service provider, we actively collaborate with business chambers, government agencies, ministries, and local technology partners to foster a thriving digital ecosystem for MSMEs. Our participation in key industry events such as the SME National Campaign 2024, Techno 2024 Exhibition, CSSL National IT Conference, and Infotel 2024 Exhibition reflects our commitment to raising awareness, refining our solutions, and driving impactful initiatives for Sri Lanka's growing MSME sector.

SME National Product Forum 2024

The SME National Product Forum was conducted with the backdrop of the SMEs role as the backbone of our economy, and our expanding SME related portfolio. The event promoted awareness of SLT's new SME-focused products. The forum was targeted at driving digitalisation, innovation, sustainability, and competitiveness within the SME sector. The Forum also provided opportunities for a diversity of stakeholders to network with each other. Several leading companies from related industries took the opportunity to showcase their products.

Partnership with LK Domain registry

SLT has entered into a partnership with LK Domain Registry, to facilitate the development of the MSME sector. The synergy between SLT Enterprise's

technological skills and LK Domain Registry's domain registration reputation will drive competitiveness and digitalisation among small and medium scale enterprises.

SmartChat: An Hour with Customers

This is a unique event organized by SLT to facilitate interactions between SME business customers and technology consultants, enabling them to explore tailored business solutions. SmartChat has emerged as a pivotal initiative in SLT's customer engagement strategy, offering a valuable platform for customers to interact with experts, discover customised solutions, and drive their businesses toward success.

The key message of the event centred on unlocking business potential through tailored technology solutions, emphasising the importance of personalised consultation, exclusive access to expertise, actionable insights, and future-proofing strategies. The event showcased how SLT's product offerings can effectively address customer challenges, with a strong focus on technology adoption, digitalisation, business growth, improved efficiency, and cost reduction.

SME Customer Forum

Another initiative focused on SMEs was the SME Customer Forum conducted in several Provincial locations. It commenced with the North Western Province (Western) Area and continued to several other locations in the Southern, Western, and North Central Provinces. SME focused Group Awareness Sessions were also held in a number of provinces.

SME National Campaign

The SME National Campaign was conducted in February – March 2024, with the slogan "Soar beyond limits". A total of 19 Focus Customer Forums were conducted parallel to the Campaign.

The campaign was focussed on enabling SMEs to move up the technological ladder, through cloud applications and enhanced cybersecurity. It showcases SLT's commitment to enable SMEs to scale

Customers

up through digitalisation. It will help them overcome some of the obstacles they face with traditional systems and give them accurate, reliable, and timely information at their fingertips.

Delivering and Exceptional Customer Experience

Delivering an exceptional customer experience is a core strategic priority. The Customer Experience Management (CXM) Team is embedded across all customer touchpoints, ensuring cohesive service delivery, operational alignment, and a seamless journey for every customer interaction.

To enhance service quality nationwide, dedicated Customer Experience Management Officers (CxEMOs) have been appointed at each regional office. These officers play a pivotal role in monitoring the customer journey and maintaining consistent service standards at all key engagement points. To strengthen their capabilities, the Customer Experience Team conducts monthly training sessions focused on deepening their understanding of customer experience principles and industry-leading practices.

The CXM Team also places strong emphasis on continuous employee development, active staff engagement, and regular collaboration with operational and sales units. These integrated efforts support the delivery of high service standards and reinforce SLT's commitment to a customer-centric culture.

🔗 Leveraging Digital Tools to Enhance Service Quality

Leveraging advanced digital tools has become a cornerstone of SLT's ongoing efforts to enhance service quality and operational efficiency. As part of this digital transformation, a range of intelligent solutions has been implemented to streamline processes and elevate the overall customer experience.

One such tool is Wi-Finder, which supports field technicians in optimally positioning broadband routers during new installations.

By ensuring ideal placement, this tool significantly improves connectivity quality, enabling a seamless and reliable service experience from the very beginning.

To uphold the highest standards in fibre connectivity, SLT has also introduced the FTTH Quality Validator. This tool enables precise verification of Fibre-to-the-Room (FTTR) installations, helping to ensure consistent, high-performance network delivery and long-term reliability for customers.

Additionally, the 360° Customer View App provides teams with real-time, comprehensive insights into customer behavior, preferences, and usage patterns. By leveraging this data, SLT can proactively tailor its services, anticipate customer needs, and deliver a more personalised and engaging experience across all customer interactions.

Collectively, these digital innovations reflect SLT's commitment to continuous improvement and its customer-first approach in a rapidly evolving technological landscape.

Speed, Convenience, and Tailored Offerings

Recognising the increasing demand for high-speed internet, we upgraded fibre download speeds to 300 Mbps across general packages, with premium 1 Gbps plans for high-end users. A variety of data add-ons cater to specific needs, including work, learning, entertainment, gaming, and streaming.

To enhance accessibility, we expanded our sales network via dealers, allowing customers to engage with SLT services closer to home. Additionally, we introduced flexible payment options, including:

- Annual payment discounts for upfront payments.
- Installment plans for affordability.
- Happy Days unlimited internet promotions for added value.

Integrated Home Connectivity Solutions

As smart devices proliferate, SLT ensures seamless Wi-Fi connectivity at home through Wi-Fi mesh solutions. These solutions optimise connectivity across all rooms and devices, providing uninterrupted, high-quality internet access.

Celebrating Customer Excellence and Loyalty

Reaffirming our commitment to exceptional service and the cultivation of strong customer relationships, SLT proudly marked Customer Service Week in October 2024, under the global theme "Above and Beyond". This meaningful initiative honoured both our loyal customers and the dedicated employees whose unwavering efforts continue to drive service excellence across the organisation.

As part of the celebrations, customers were treated to a series of exclusive offers and special rewards, presented as tokens of appreciation for their continued trust and support. In parallel, an internal motivational programme was launched to inspire employees, featuring a performance-based competition designed to recognise and reward outstanding dedication and service excellence.

In further recognition of customer loyalty, SLT organised a series of personalised engagements throughout the year, including exclusive visits to Platinum customers and dedicated loyalty gatherings. These events served to express heartfelt appreciation while reinforcing the long-standing trust placed in SLT by its premium clientele.

Customers

Customer Support and Assurance

SLT's contact centre, the main customer touch point in providing customer service, operates 24/7 offering service via automated channels and agent service.

To offer an efficient and effective service to the customers 50% of the interactions received to contact centre have been handled by automated channels, predominantly by the IVR and chatbot service (KITO) for instant resolution.

The balance 50% have been handled by the agents out of which more than half of the demand has been resolved in the first interaction by agents. The rest have been escalated to the workflow beyond the contact centre that need further attention by the online technical officers and field officers.

Proactive customer support is provided by the outbound service for payment reminders, initiating sales leads, service confirmations and responses for the service of "Book a Call".

CONTACT CENTRE AVAILABILITY



24/7 customer service more than 90% average call success rate from automated IVR and agent support.



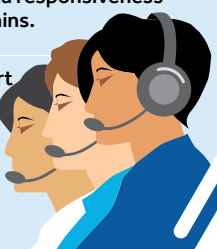
Automated chatbot service "KITO" exist in SLTMobitel web site, MySLT App, WhatsApp and in Face Book Messenger, with zero queue time with live agent support



Social media responsiveness within 15 mins.



mail support as a nearly real time service.



Frequently Queried Concerns

- Fault reporting
- Bill enquiries
- Complaints reporting and resolution
- Data usage and management
- Package and VAS modification and management
- eChannelling services
- Ticket booking
- Directory and information access

CONTACT CENTRE INTERACTION HIGHLIGHTS 2023



Daily average call volume
25,000 – 30,000



Monthly average Chatbot interactions

20,000



Monthly average successful social media interactions

5,000



Monthly average SMS interactions

1,200



Monthly average outbound calls

60,000

Customer Satisfaction and Net Promoter Score

Recognising that sustained customer satisfaction is vital to long-term success, SLT has adopted a structured and data-driven approach to understanding and responding to customer expectations. To remain attuned to evolving needs, a comprehensive framework of monthly, quarterly, and annual satisfaction surveys has been established to systematically capture the voice of the customer.

These surveys evaluate a range of key performance indicators, including the Customer Satisfaction Index (CSI), Net

Promoter Score (NPS), Loyalty Index (LI), First Time Resolution Index, Time to Resolve Index, and Customer Effort Score (CFS). The insights derived from these metrics provide valuable perspectives on service performance, customer perceptions, and potential areas for enhancement.

This feedback mechanism encompasses all major customer segments consumer, enterprise, and SME ensuring a broad and inclusive understanding of customer experiences. Notably, sustained efforts throughout the year have contributed to significant improvements in SLT's customer satisfaction indices, reflecting a strong and ongoing commitment to delivering exceptional service and fostering long-term customer relationships.

Index	Score
Customer satisfaction Index	83
Net Promoter Score	62

Cybersecurity: Strengthening Digital Safety

As digital interactions and transactions increase, cybersecurity has become a top priority for SLT. To address rising global threats, we launched a 24/7 Security Operations Centre (SOC) and introduced Security Operations Centre as a Service (SOCaaS) in January 2024.

Key cybersecurity measures include:

- ISO 27001-certified security frameworks
- Network and application security solutions
- Penetration testing services for businesses
- Security awareness seminars for corporate and government entities

Our cybersecurity commitment ensures customer data protection while enabling businesses and individuals to fortify their digital environments against emerging threats.

Customers

Customer Loyalty: Building Long-Term Relationships

In 2024, SLT implemented a series of strategic initiatives aimed at recognising and rewarding its most loyal and high-value customers. These efforts were designed to deepen engagement, enhance customer satisfaction, and strengthen long-term relationships founded on trust and mutual value.

A key component of this strategy involved nationwide visits to long-standing, high-revenue customers. These in-person engagements offered meaningful opportunities to express appreciation directly, reinforce relationships, and better understand the needs of our valued stakeholders.

Complementing these visits, SLT hosted exclusive loyalty events, including a premium breakfast gathering, to provide a more intimate and personalised setting for direct interaction. These occasions served as valuable platforms for open dialogue, feedback, and relationship-building with our most dedicated customers.

As a tangible gesture of appreciation, selected broadband customers with high loyalty and revenue contributions received complimentary broadband coupons. This initiative not only rewarded continued patronage but also contributed to enhancing satisfaction and fostering goodwill.

To further elevate the service experience for premium customers, priority fault handling was introduced for the Platinum segment. By ensuring their service concerns were addressed with heightened urgency, SLT reaffirmed its commitment to uninterrupted, high-quality service.

Additionally, a dedicated Premium Contact Centre was launched to streamline support for Platinum customers. This facility enables direct access to faster, more personalised assistance by allowing them to bypass general queues, reflecting a tailored approach to high-touch customer service.

Collectively, these initiatives underscore SLT's unwavering commitment to delivering exceptional customer experiences and nurturing enduring relationships with those who continue to place their trust in the brand.

Customers

Product Portfolio

This product range caters primarily to the needs of individual customers, their families, lifestyles and aspirations. The products and services are mainly provided on a fixed line base, though mobile products are included as well. The product range includes voice, internet, entertainment and leisure, Apps, insurance and other value adding products. An example of the last is the Duthaya service which performs personal tasks on behalf of customers. Customers have wide options to choose from depending on their tastes and extent of their needs.

BROADBAND

- Unlimited & Anytime Packages
- Extra GB (Prepaid & Postpaid)
- Loyalty Data
- Happy Day
- Mid Night Thriller

VOICE

- Home Plan
- Office Plan
- Unlimited Calling Plan
- Caller Tune Service

PEO TV

- Local & Foreign Channels
- HD Channels
- On demand and Entertainment Contents
- Peo Mobile Service

APPS

- MySLT App
- Peo Mobile
- HitFlix
- Easy Storage
- Duthaya
- eChannelling
- PlayStreet
- Ceylon Remit

EDUCATION

- Home Schooling & WFH Bundles
- Study Platform Data Bundles
- Sisu Connect

HEALTH

- eChannelling
- TeleHealth
- TeleLife
- M3Force (Medical emergency, Personal care)

EASE OF LIFE

- MySLT App/Portal
- Data Gifting
- Fibre new connection portal
- Easy Storage
- Picsforest Digital Photography Platform
- Duthaya Personal Assistance Service
- Ceylon Remit App
- Kaspersky internet security
- eBill Service

UNLIMITED ENTERTAINMENT PACK

- Peo mobile data bundle Home, schooling and WFH bundle YouTube Bundle Gaming Bundle 7x Fun Data Bundle Messenger Bundle PlayStreet (Hyper Casual Games) HitFlix
- 7x Fun Data Bundle
- YouTube Bundle
- Messenger Bundle
- Gaming Bundle
- HitFlix
- PlayStreet (Hyper Casual Games)
- eSports platform (professional gamers)



Package selection and upgrade

Usage meter

Call forwarding

Extra GB purchase

Data gifting (gift data to your loved ones)

Faults Reporting

Digital Life

- Kaspersky
- SLT Storage
- eSports
- Duthaya
- Smart Home
- SLT LYNKED
- PlayStreet

Hot Device selling

Purchase new services

- Fibre
- Megaline
- 4G LTE

Purchasing VAS

Bill payment

Data Add-On

- Unlimited entertainment pack
- You Tube (7days)
- 7x Fun Data Bundle
- Messenger (7 days)
- Meet lite
- Meet Max
- Peo TV go
- Gamer Lite
- Gamer Premium
- Streamer premium
- LMS Lite
- LMS Max

Customers

SLT Enterprise provides a wide portfolio of products and services to cater to the needs of the corporate sector. The offerings include connectivity, cloud, cybersecurity, and digital services. These services enable organisations to forge ahead expanding their markets, with extended reliability, improved scalability, flexibility and cost-effectiveness.



Customers

This product range provides SME and micro enterprises with all kinds of ICT solutions which will enable them expand their reach and scale-up. Connectivity, cloud, and cybersecurity services are key demands of the small-scale business sector today. We cater to these needs, and indeed even exceed their expectations, by leveraging the latest digital technologies.

INTERNET AND NETWORK INFRASTRUCTURE SOLUTIONS

- Dataone
- LTE Flash Packages
- School BB
- Bizlife
- IT Solutions

DIGITAL PRODUCTS AND BUSINESS APPLICATIONS

- SLT Bizchat
- Traverse
- SLT Checkin (PMS)
- SLT Lynked
- WorkFlow X
(Powered by Zoho)

HOSTING, CLOUD AND CYBERSECURITY SOLUTIONS

- Hostingcub
- CubKit
- Kaspersky Endpoint Security
- POS and Restaurant Management (Cloud POS)
- Akaza CloudFusion
(Powered by Huawei)
- EdgeDefend
- CyberSight
- LK Domain

UNIFIED COMMUNICATION SOLUTIONS

- Unlimited Voice Packages
- Vobox
- Univo
- Biztune

ENTERTAINMENT AND EDUCATION SOLUTIONS

- PEO TV Biz
- eSiphala



Customers

Mobitel offers a product range that provides services and value similar to those of SLT-Mobitel, although its offerings primarily operate on mobile platforms. Services such as voice, broadband, PEO TV, and entertainment and leisure are available in a variety of packages, allowing customers to choose based on their budget and the breadth of their needs.

VOICE

- Unlimited Calling Plans
- VOLTE for crystal clear calling

POST PAID

- Uphara Post Paid Plans for State Sector Employees.
- M Plus Post Paid Combo Plans.
- Family Bundle share plans.
- Smart Phone device offers
- Mobile Router plans.

TOURIST SEGMENT SERVICES

- Tourist Combo Pack
- Online E SIM Tourist Plan
- M Ticketing – for Railway Booking
- E Visa Service
- M Guide – Tour Guide services

MOBILE BROADBAND

- Anytime Data Bundles
- Social App Combo Plans
- Anytime Data Roll over Ads ons
- Non Stop Data Plans
- Enterprise Data Share Bundles
- Uber Data Plan – Duwana Data offering for Uber Riders
- E SIM based Plans available Online

VAS DIGITAL SERVICES

- Entertainment based services – Call a Tune
- Gaming – Mobistation Games, Quiz based
- Bidding Services
- Health Tech – eChannelling, Doctor Channeling using AI
- E Channeling Premium membership services
- Ticketing Services – Railway Ticket Reservation via Mobitel.
- Lend tech – Mobile Loan services.



DEVICES

- Buy Now Pay Later – Devices Offers for Uphara Pensioners, Post Paid Customers.
- Exclusive Unveiling devices for Club Magnate customers.

LOYALTY

- M Rewards – Reward Points program for Pre-Paid and Post-Paid customers
- Club Magnate – Exclusive Premium services for High Value customers

INTERNATIONAL ROAMING

- Daily Roaming Plans – Starting from 1USD per Day
- Monthly Roaming Plans for Extended stays

Portfolio Review

📍 Sri Lanka Telecom (Services) Ltd.

Sri Lanka Telecom Services Ltd. (SLTS) is a fully owned subsidiary of Sri Lanka Telecom PLC that has evolved into a leading force in the ICT industry, bringing together three Strategic Business Units (SBUs) under one umbrella: Network and Solutions Business, PEOTV and Content Business, and Digital Services Business. Each SBU operates with its own unique value propositions and business models, addressing the diverse needs of its clients.

Digital Services (Private) Limited and SLT VisionCom (Private) Limited merged with Sri Lanka Telecom Services Limited with effect from 1 April 2024. This strategic consolidation is aimed at streamlining operations and improving overall efficiency within the organisation.

Network and Solutions Business

The Network and Solutions business unit operates across two core service pillars: Telecommunication Outside Plant (OSP) Development as well as Maintenance and Comprehensive ICT Solutions for corporate and government sectors.

The OSP unit specialises in the deployment and maintenance of fibre, copper, and other telecommunication infrastructure, primarily supporting Sri Lanka Telecom PLC. In addition to maintaining existing networks, the unit facilitates new connections and infrastructure expansions.

ICT Solutions Division delivers a broad range of technology solutions to SLT Group companies, government agencies, telecom operators, and private enterprises across Sri Lanka. Their offerings include:

- Turnkey ICT projects tailored to business needs
- Managed services for streamlined IT operations
- Custom and proprietary software solutions
- Comprehensive information security solutions

Key Achievements and Milestones

SLTS continues to innovate and expand its offerings to meet the evolving needs of clients. From in-building networking solutions to large-scale data center developments, SLTS has established itself as a trusted partner in digital infrastructure. The expertise spans cutting-edge software solutions, information security, and major infrastructure projects that support both government and enterprise sectors.

• Innovative ICT Solutions:

Continuously introducing tailored products to address customer needs

• Enterprise Networks & ELV Solutions:

Leading provider of in-building IP networking, communication, and surveillance, partnering with major construction firms across the country.

• Advanced DataCenter Development:

Supporting Tier-certified datacenter developments with cutting-edge infrastructure of all electrical, renewable energy and ICT critical infrastructure from planning to delivery.

• Software Solutions:

ERP and bespoke software applications deployed across government institutions and enterprises. Flagship core banking platform serves a major government community development bank with more than 1,000 branches and banking societies islandwide.

• Information Security:

Secured and delivered major information security projects for universities, government institutions and SLT-Mobitel Group.

Portfolio Review

➡ Strategic Vision and Key Initiatives

In alignment with the vision to become the most reliable and leading National Information and Communication Technology (ICT) solutions provider, the strategy focuses on strengthening the brand and establishing the identity as a trusted, responsive, and highly innovative organisation. By delivering a comprehensive portfolio of solutions with maximum local value addition, SLTS aims to strengthen the Company's market position and sustain rapid growth in the ICT sector.

The commitment to this strategy has resulted in considerable improvement in market strength and consistent success. Beyond meeting the objectives, the Company has exceeded revenue and profit targets, reaffirming the ability to execute the vision effectively.

➡ Supporting Customers Through a Complex Operational Landscape

Customers rely on SLTS for highly specialised and tailored projects, which are consistently delivered on time, ensuring all technical specifications and output requirements are met. The Company takes full ownership of every phase of the turnkey projects, from initial planning and design to final delivery and commissioning.

The past few years have presented significant challenges, including socio-economic instability, high inflation, and the depreciation of the Sri Lankan currency, all of which have led to rising costs and intense competition for a limited number of projects. Despite these obstacles, the Company managed to sustain its growth momentum, achieving profitability, which stands as a noteworthy accomplishment.

In the telecom sector, the focus is on actively exploring international development opportunities to expand the Company's presence globally. Collaboration with foreign partners continues, particularly in the role as the ICT solutions provider for large-scale local projects.

Looking ahead to 2025, there is strong optimism. With the industry on the path to recovery, there are high expectations for reduced costs, increased demand, and a broad spectrum of new opportunities across SBUs.

➡ Harnessing Technological Advancements for Enhanced Reliability and Efficiency

Technological advancements are seen as a strategic advantage, not a challenge – opening up new avenues for growth and innovation. Staying agile and adapting quickly allows the organisation to harness the strengths of a skilled workforce, steered by visionary leadership, to stay ahead of industry trends.

The focus remains on identifying high-potential products with the capacity to shape the industry's future and integrating them into the solutions portfolio. This forward-looking approach strengthens competitiveness and establishes a lead over alternative market offerings.

➡ Nurturing Innovation for Competitive Advantage and Growth

Innovation sits at the core of the strategy not just in bringing new technologies to market, but also in advancing software solutions and creating new products. This mindset creates a competitive edge, opening the door to greater value and improved profitability.

A major challenge, however, lies in the shortage of skilled professionals in the relevant fields.

To foster innovation, strong partnerships are built with both local and international technology providers, representing top-tier brands in specialised areas. Continuous interaction with customers, combined with feedback from staff and agents, offers deep insights into evolving needs. This ongoing feedback loop plays a vital role in shaping better services and fueling innovation where it matters most.

➡ Investing in our Talent for Technological Leadership

Staff members are chosen through a rigorous selection process from top local and international universities and educational institutions, with a strong emphasis on ensuring both technological expertise and cultural alignment with the organisation's ethos. While each team member brings solid qualifications in their respective fields, specialised training is provided to meet specific project needs. This includes internal programmes, led by in-house experts, as well as additional sessions conducted by resource personnel from technology partners.

SLTS ensures the maintenance and availability of certified engineering resources on the key technologies to achieve the high standards and compliances required for the industry.

With a motivated and skilled workforce, along with the legacy and resources of SLTS, it is feasible to keep abreast with the latest technological advancements, supporting the vision of becoming the most trusted and leading National Information and Communication Technology (ICT) solutions

Portfolio Review

Digital Services Business

The Digital Service Business is anchored in three primary service lines:

- The National Directory
- Digital Marketing Services
- Digital Solutions.

National Directory

Rainbow Pages is the National Directory produced by the Digital Services business unit of SLTS which accounts for a major portion of the revenue. The directory is produced in printed, online and e-book digital versions to allow wide public access. With the planned enhancements to become a B2B digital trading platform, this segment will evolve from a one-way directory platform into an interactive, transactional tool. This transformation aims to enhance user engagement and foster long-term customer loyalty.

Digital Marketing Services

This segment includes a comprehensive array of services, such as online digital advertising campaigns, digital branding, creative digital content production, animation, 2D/3D video production, motion graphics, and various other digital campaigns (email, SMS, and IVR). There is also expertise in information listing platforms, Search Engine Optimisation (SEO) content creation, and advanced local SEO to boost visibility and drive engagement.

Digital Solutions

The Digital Solutions business primarily focuses on web development, digital platform development, and delivering digital solutions to a diverse customer base. Services include Vehicle Fleet Management solutions, online shop platforms, and other customised digital solutions. With a strong software development team and SLTS's superior engineering and island-wide service delivery expertise, there is a robust capability to provide superior, sustainable, and cost-effective solutions to the market.

Pioneering Digital Transformation with Significant Achievements

The most significant contributor to revenue has been our directory services, Rainbow Pages, Sri Lanka's National Directory, which accounted for nearly 80% of the topline in 2024.

Following a strategic shift after 2023, the primary focus has been to enhance the digital capabilities and expand digital solutions. To achieve this, we have structured our operations into three key business verticals:

1 Directory Services (Information Solutions)

The traditional directory services are being modernised by integrating advanced digital features. The goal is to enhance user experience by offering interactive digital elements, such as information interactivity with QR code, location mapping, and e-book versions, alongside the print directory. Future enhancements include social media integration and transitioning to a fully functional B2B marketplace, enabling businesses to sell products and engage with customers directly.

2 Digital Marketing

Now operating as a dedicated profit center, this vertical has shown significant revenue growth, with expectations to double its revenue in 2025. The digital marketing offerings have been strengthened by leveraging data-driven strategies to enhance online visibility and customer engagement.

3 Digital Solutions

This segment focuses on delivering web solutions and digital platforms, catering to both public and private sectors. Key projects include vehicle fleet management systems, mobility management solutions, e-Commerce and Marketplaces and other enterprise digital platforms. Close collaboration with the Network and Solutions division ensures the development of robust, integrated solutions.

With a growing directory customer base of over 5000 SMEs and businesses, many of whom are preparing to expand their online presence, there is immense potential to scale digital services. Looking ahead, the focus remains on strengthening the digital portfolio and pioneering new innovations to drive sustained growth in Sri Lanka's digital economy.

🔗 Empowering Stakeholders to Thrive in a Dynamic Business Landscape

The primary stakeholders are B2B clients, particularly SMEs, government institutions, and retail organisations, all of whom have leveraged the next-generation technological solutions to elevate their businesses. The goal is to deepen these partnerships by extending similar solutions to long-standing

clients who have been with the business through the directory information and advertising services.

Recognising that many traditional businesses will soon be handed down to a younger, more tech-savvy generation, the focus is on providing these businesses with the precise information and tools they need to navigate the complexities of modern enterprise-building.

To support this transition, a range of digital marketing, advertising, and software solutions has been introduced. These include systems such as Workflow Management, E-Voucher, Invoice Management, and Fleet Management, all designed to streamline operations and ensure that the next generation of business leaders is equipped for success.

Portfolio Review

Empowering Small and Medium Enterprises with Digital Solutions

A key focus of the Digital Service Business is supporting Small and Medium Enterprises (SMEs) as they evolve from traditional business models to digital-first operations. Many clients come from traditional sectors. To help them elevate their businesses to the next level, SLTS begins with a thorough analysis of their needs to introduce them to the digital tools best suited for their objectives.

For businesses with brick-and-mortar operations, the first step is establishing an online presence through websites, e-commerce platforms, online directories, virtual shops, and social media pages, all designed to drive online business opportunities. The next step involves implementing digital marketing strategies, social media campaigns, and search engine optimisation. By integrating both online and offline marketing efforts, maximum visibility and growth are achieved. These solutions play a key role in enabling traditional businesses to embrace digital transformation.

Customised software development solutions are also provided, such as workflow management systems, which proved invaluable during the pandemic by helping businesses manage remote work efficiently. Once onboarded, relationship management tools are proposed to foster employee loyalty and streamline operations.

With strong resources and highly skilled personnel, the goal is to expand reach in the coming year, tackling new challenges, and advancing into untapped markets.



PEOTV and Content Business

Expanding Sri Lanka's Video Content Landscape

The PEOTV Business is driven by the goal of becoming Sri Lanka's largest video content hub. To achieve this, the focus is on aggregating, developing, storing, and distributing content across multiple streaming platforms. Content is delivered through two primary channels: PEOTV (IPTV), a subscription-based service with wired connectivity, and PEO MOBILE (OTT), in addition to other emerging OTT platforms.

PEOTV offers several distinct advantages over traditional television methods, such as antenna-based or Direct-to-Home (DTH) services. The wired connection allows for enhanced interactive features like time-shifting, rewinding, and video-on-demand, significantly improving the overall viewing experience for customers.

Enhancing Customer Experience through Superior Entertainment Content

The strategic focus is centered on PEOTV, recognising the growing demand for high-quality viewing experiences. This is best achieved through unparalleled high-definition (HD) picture quality, delivered via SLT's advanced fibre network. Currently, PEOTV offers the largest selection of HD content, including exclusive foreign, Local Free-to-Air channels and movie premieres in HD, which are not available on other platforms.

In line with global trends, such as the increasing popularity of Over-the-top (OTT) platform services and on-demand entertainment, the aim is to provide a diverse entertainment portfolio. Securing content rights for IPTV, OTT, and ad insertion especially for major sporting events, enables us to enhance customer loyalty and revenue.

Portfolio Review

To improve service quality continuously, a dedicated Customer Experience Management Team has been established to gather valuable customer feedback. In addition, independent customer satisfaction surveys are regularly conducted. This feedback informs internal analyses, helping us better understand customer preferences and develop tailored products and pricing strategies to ensure accessibility and affordability.

In addition to licensed content, original programming is also produced, such as the proprietary "Charana TV" channel, available on PEOTV, PEO MOBILE, cable TV platforms, and YouTube. Children's content, like "Cocopalooza" and "Sootikka," and a variety of kids animated music and storybooks, are designed specifically for digital platforms like PEOTV and PEO MOBILE, generating supplementary revenue.

Moreover, a successful and enhanced IPTV platform has been developed and launched, setting the stage for the introduction of cutting-edge features that will elevate the overall customer experience.

🔄 Notable Achievements and Growth

PEOTV remains the preferred choice for interactive television and high-definition video delivery in the domestic market, currently offering around 40 HD channels.

During 2024, PEOTV recorded strong revenue and profit growth, largely driven by effective cost management and the positive impact of exchange rate improvements. A significant portion of operational costs is allocated to acquiring foreign content, and SLTS has successfully repackaged high-impact content for the market. This strategic approach has contributed to a substantial increase in profitability.

The focus on proprietary content creation has strengthened our market position. Notably, Charana TV continues to expand their reach, and also introduced on-demand

content tailored for children, and youth. The Company embarked on developing documentary content that can be monetised across multiple platforms, including PEOTV, social media, and international distribution channels. In this industry, content ownership is key to maximising profitability, and investments in exclusive content are a strategic priority.

Charana TV has significantly expanded its reach through innovative programming. The channel's commitment to showcasing diverse musical talent was recognised at the prestigious 29th Sumathi Awards 2024, where its programme *Kavi Dahayata Gee Dahayak* won the Best Musical Programme of the Year. Throughout the year, Charana TV's programmes received multiple accolades, nominations, and placements, further cementing its reputation in the industry.

A major milestone this year was the successful launch of the open-standard Android-based Set-Top Box (STB), a transformative addition that converts traditional televisions into smart TVs. This advanced device enhances user experience by providing access to a broad range of content and services from multiple providers. With an open platform supporting regular software updates, customers can enjoy continuous feature enhancements, keeping the device relevant over time. While the introduction of STBs has created new revenue streams through premium content subscriptions, app downloads, and value-added services, it also represents a significant capital investment.

🔄 Staff Training and Development

Continuous learning remains a top priority to keep the team at the forefront of industry advancements. Training programmes are designed around product development, creativity, technology, and content, equipping staff with the necessary skills to perform at the highest level. This dedication to professional growth is evident in the ongoing technical training initiatives, which consistently result in formal certifications for team members.

🔄 Strategic Partnerships and Collaborations

The business has cultivated strong, mutually beneficial relationships with prominent local and international content and technology partners. Close collaboration with talented Sri Lankan content creators has also been a key focus, especially those navigating challenges such as limited resources, infrastructure constraints, and licensing barriers for Free-To-Air (FTA) channels. To support this creative community, access has been extended to PEOTV, the country's largest platform for non-FTA channels providing a broader stage to showcase their talent and reach wider audiences.

🔄 Product Development and Marketing Services

Significant progress has been made in expanding the Event TV channel portfolio, alongside the launch of the PEO Sports channel lineup. This new offering includes a blend of live sports and locally produced content from schools, universities, and community events. The initiative has gained strong traction, particularly for streaming popular international and local sporting events in parallel.

To penetrate underserved markets, especially in the North and East, competitive packages were introduced specifically for the Pay-TV segment. These offerings contributed to a rise in new customer connections. Marketing efforts were strategically aligned to promote popular programming trends and key titles across both IPTV and OTT platforms, supporting subscription growth and improved customer retention.

Regional activations, targeted sales training, digital marketing campaigns, SEO strategies, and engaging content creation played a crucial role in building visibility and user engagement throughout 2024.

Portfolio Review

🔗 Looking to the Future

Several initiatives are currently underway to advance digital transformation, including strong support for government-led efforts. A particular area of focus is the software division, which delivers flagship products and custom-developed solutions to both public and private sector clients. A proprietary core banking solution, offered as a managed service, continues to gain industry traction due to its cost-effectiveness and reliability.

The digital services unit has successfully launched the new RainbowPages National Directory in December 2024 with printed, online and e-book digital versions. We intend expanding the digital presence of the directory business by providing a trading platform to its customer base, focusing mainly on B2B business enablement. Digital Marketing and Digital Solutions businesses are expected to see substantial revenue increases next year, further solidifying the market position.

In the PEOTV business, SLTS is expanding its own content production and monetising it across multiple platforms. However, like many IPTV providers globally, SLTS faces strong competition from other OTT players. While new customers continue to come onboard, overall net growth remains moderate, primarily due to economic factors. Many customers reprioritise their monthly expenses, and entertainment is often the first to be reduced, impacting PEOTV's subscriber base.

Despite these challenges, PEOTV holds a strong competitive advantage over OTT platforms. Unlike international providers, our technology is integrated with SLT's fixed-line network, allowing us to offer data-free streaming. This makes our service a cost-effective alternative to both local and international OTT players. Moreover, PEOTV delivers unmatched quality, offering uninterrupted HD television with interactive features and on-demand

content. The localised content mix, which caters specifically to Sri Lankan audiences, is another key differentiator that global OTT services struggle to match.

Trials are currently underway to bring PEOTV to long-term evolution (LTE) customers, offering it as an OTT solution. The existing PEO-Mobile app already enables content consumption on mobile devices, but data costs remain a key barrier to wider adoption. SLTS is working on solutions to mitigate this challenge, ensuring affordability and seamless delivery across platforms.

With these strategic initiatives in place, SLTS is poised to strengthen its digital presence, expand the customer base, and drive sustainable growth in the evolving entertainment and digital solutions landscape.

Our Global Brand



Xyntac, the global arm of Sri Lanka Telecom, is a dynamic digital communications provider delivering carrier-grade connectivity and advanced digital solutions to clients worldwide. Recognised as one of the top 100 Global Internet Service Providers, Xyntac is also the first Sri Lankan telecommunications company to achieve this distinction.

To meet the growing capacity demands of its international customers, Xyntac has significantly expanded its submarine cable network. This includes consortium cables such as SEA-ME-WE 4, SEA-ME-WE 5, and the upcoming SEA-ME-WE 6 (commercial operation by end 2026), alongside private cables connecting Maldives and India, and a network of partner cables spanning the globe.

With International Points of Presence (POPs) in the USA, Europe, and Asia, Xyntac ensures rapid service deployment across key markets and is actively expanding its global footprint. By providing connectivity solutions to major (OTT) companies, the Company plays an integral role in the global digital supply chain.

Xyntac prioritises network reliability through high uptime, industry-leading security protocols, and 24/7 expert engineering support. Additionally, its industry-specific Service Level Agreements (SLAs) reinforce its commitment to delivering seamless, secure, and high-performance connectivity solutions.

Xyntac Service Portfolio

Voice Services

Xyntac offers a comprehensive suite of international voice services, including Wholesale Voice and Free Phone Services (ITFS). By leveraging a network of over 120 direct partnerships, the Company ensures cost-effective, high-quality voice terminations, delivering seamless and reliable communication solutions to global clients.

Connectivity Services

Xyntac delivers secure and scalable connectivity solutions, including IPLC and Ethernet Services enabling businesses to establish reliable global networks with ease. Designed for seamless point-to-point and multipoint interconnections, these services support efficient voice, data, and multimedia communication. Key features include:

- Extensive global coverage
- Multiple QoS profile support
- Optimised redundancy for enhanced reliability
- Guaranteed speed, security, and availability
- Industry-specific Service Level Agreements (SLAs)
- 24/7 customer support for uninterrupted service

Internet Services

Xyntac is actively enhancing its IP Backbone network and expanding its service portfolio to meet global demands. Its ISP service (ASN: 45489) has been ranked among the top 100 Global Internet Service Providers, making it the first Sri Lankan telecom operator to earn a place among leading global ISPs.

Cloud Services

Xyntac is at the forefront of digital transformation for multinational corporations, harnessing multi-cloud platforms in collaboration with top virtualisation providers such as VMware, Microsoft, and Oracle. Through these strategic partnerships, Xyntac delivers a comprehensive suite of services, including virtual data centers (VDCs), disaster recovery and avoidance solutions, backup and storage, load balancing, and managed services. With a strong focus on reliability, Xyntac ensures guaranteed uptime, empowering businesses with seamless, secure, and scalable digital infrastructure.

Colocation Services

Xyntac owns a Tier III-certified data center, providing secure and scalable colocation services for global enterprises. Designed for high performance and reliability, the facility is equipped with:

- Robust security, scalability, and availability
- Cutting-edge technology for optimal power efficiency
- Direct connectivity with redundancy to Global Submarine Network
- Green Gold certified building
- Dedicated caging facilities for enhanced security
- Strict access control and 24/7 surveillance
- On-site working area for operational convenience
- Industry-specific SLAs with guaranteed network uptime
- Meet Me Rooms for seamless interconnectivity
- Round-the-clock monitoring and customer support

Managed Services

Xyntac provides a full suite of managed services, covering solution design, implementation, maintenance, monitoring, expansions, and upgrades. By handling clients' IT infrastructure, Xyntac enables businesses to focus on their core operations while ensuring seamless performance. Key managed services include:

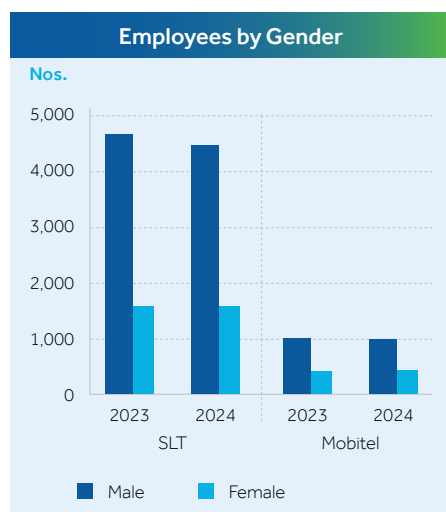
- Managed firewall for robust cybersecurity
- Managed security to safeguard critical assets
- Managed infrastructure for optimised IT operations
- 24/7 live support from a skilled engineering team, ensuring guaranteed service levels, network uptime, and rapid issue resolution

Employees

The SLT Group is committed to fostering a highly engaged and dedicated workforce of over 8,000 employees across all its subsidiaries, by prioritising continuous training, well-defined career pathways, personalised relationships, and a collaborative work culture. By providing exposure to cutting-edge technology, the Company equips its employees to confidently navigate industry challenges, while open communication channels strengthen their sense of belonging and engagement. This approach reinforces SLT's dominant position as a leader in Sri Lanka's telecommunications industry.

🔄 Employees by Gender and Grade

Grade	SLT			Mobitel		
	Male	Female	Total	Male	Female	Total
Senior Management	65	6	71	100	21	121
Middle Management	89	20	109	252	89	341
Executive	442	310	752	593	303	896
Non-executive	3,866	1,240	5,106	38	1	39
Total	4,462	1,576	6,038	983	414	1,397



SLT and Mobitel have adopted a unified organisational structure in line with the SLT-MOBITEL brand unification, streamlining business and operational functions at the Group level. This strategic move strengthens cohesion across the SLT Group, driving greater efficiency, closer collaboration, and cost optimisation. By consolidating business and operational units, the unified structure fosters improved synergy and more effective working arrangements within SLT and Mobitel.

🔄 Crafting a High-Performance Workforce for SLT's Technological Revolution

SLT has successfully integrated its HR function with its broader corporate strategy, positioning the Company as a "Next-Gen TechCo Enabler" and driving digital transformation. At the heart of this transformation is HR's vision: "Our People are Our Customers' Advantage". This philosophy underscores the Company's commitment to cultivating a high-performance workforce that directly enhances customer success. The HR strategy is seamlessly aligned with SLT's overarching vision of "enriching the way of life by digitally enabling people

and businesses," ensuring that talent development, culture-building, and strategic workforce initiatives contribute to the Company's leadership in technology.

Central to this integration is HR's mission of empowering employees to become the Company's greatest differentiator. By fostering a dynamic and innovative people culture, SLT ensures that its workforce not only drives internal excellence but also delivers unparalleled value to customers, reinforcing its role as a key enabler of digital transformation.

A key aspect of this alignment is HR's commitment to ensuring that SLT has the "right structure, right people, and right skills". This means equipping employees with the skills needed to achieve SLT's goals of innovation, technology leadership, and sustainable growth. By preparing the workforce to adapt to evolving digital trends, HR ensures that SLT remains competitive in the fast-paced telecommunications sector.

The strategic initiatives spearheaded by HR are meticulously designed to enhance the experiences of users, customers, and employees, all of which are integral to SLT's overarching vision. Through a comprehensive approach, HR contributes significantly to each of these areas.

In terms of user experience, HR prioritises equipping employees with knowledge and skills related to emerging digital technologies such as Artificial Intelligence, Cloud Computing, and 5G. This commitment to continuous learning ensures a workforce that is proficient and prepared to deliver innovative solutions. Notable programmes like the 'Smart Technician' and 'Smart Sales Officer' initiatives are instrumental in developing a multi-skilled workforce capable of excelling in both technical and customer-facing roles.

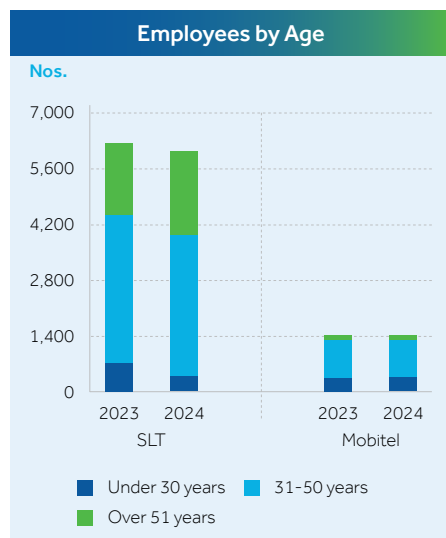
With regard to customer experience, HR invests in cultivating a highly skilled workforce capable of providing exemplary service. The 'Smart Technician' Programme, for instance, equips employees to address a comprehensive range of technical issues, thereby ensuring seamless support to customers. Similarly, the 'Smart Sales Officer'

Employees

Programme enhances the proficiency of the sales team, enabling them to effectively meet diverse customer needs and reinforcing SLT's unwavering commitment to customer satisfaction.

Furthermore, HR continuously strives to improve the employee experience through the introduction of modern tools designed to enhance internal efficiency. The Employee Self-Service App, designed in-house, will empower employees to independently manage HR-related tasks, thereby minimising delays and enhancing overall productivity. Additionally, the implementation of Robotic Process Automation (RPA) has streamlined repetitive administrative processes, allowing HR teams to dedicate more time to strategic initiatives. Moreover, by providing access to global eLearning platforms, HR ensures that employees can continuously refine their skills in emerging technologies such as AI, Cloud Computing, and 5G, thereby maintaining a competitive edge in an ever-evolving digital landscape.

These comprehensive initiatives underscore HR's pivotal role in supporting SLT's digital transformation. By fostering a skilled, motivated, and future-ready workforce, HR aligns seamlessly with the Company's strategic objectives, and ensures resilience in the face of evolving challenges.



Key HR Initiatives Driving Employee Engagement and Future Talent Strategy at SLT

Over the course of the year, SLT has implemented several strategic HR initiatives aimed at driving employee engagement, fostering leadership at all levels, and ensuring the organisation is prepared to meet future talent needs. These four key initiatives have established a strong foundation for a workforce capable of embracing digital transformation and addressing emerging challenges.

The People Forum is one of the standout initiatives launched by SLT to engage employees across its dispersed regions. With eight forums held across various areas, this initiative serves as an interactive platform for employees to voice concerns related to employment, well-being, and career opportunities. By bringing HR closer to employees, both centrally and through line management, SLT fosters stronger connections and a sense of community, enabling the Company to address employee needs in a more personalised and responsive manner.

SLT has also undertaken a comprehensive review of its HR policies and procedures to ensure alignment with current talent needs and market trends. The updated policies are designed to foster a forward-thinking organisational culture, support digital transformation, and adapt to the evolving work environment. This effort includes a major overhaul of the Recruitment and Selection, Performance Management, Training and Development, Transfer Policy and Procedure, Promotion Policy, and Anti-Harassment Policy. Aligned with SLT's long-term strategy to enhance organisational resilience and agility, these new policies are intended to attract, nurture, and retain top talent. A significant aspect of this initiative is the launch of the Competency-Based Assessment Framework, which incorporates behaviour profiling to ensure candidates are well-matched to job roles, optimising performance, retention, and minimising recruitment costs.

In response to the dynamic challenges within the Organisation, SLT introduced structural changes within its HR function, including the creation of new roles such as Talent Management and Workforce Planning. New role Talent Management ensures that SLT attracts, develops and retains top talent to drive digital transformation. This includes new initiatives in employer branding, culture and mindset change, leadership development, succession planning, instilling a performance-driven culture, and strengthening Diversity, Equity and Inclusion (DEI) initiatives. Meanwhile, Workforce Planning has adopted a more structured, analytical approach to understanding and forecasting future workforce trends, allowing SLT to proactively adapt to upcoming challenges. These structural changes are critical to ensuring that SLT's HR function remains responsive to business needs and aligned with organisational objectives.

Leadership development is another key focus area for SLT, which emphasises nurturing leadership at all levels to build a resilient and forward-looking organisation. A Senior Leadership Forum has already been established to drive leadership excellence, focusing on coaching, exposure to best practices, and continuous skill enhancement. To further promote a culture of leadership, Junior Leader Forums will be introduced at various levels across the organisation, fostering leadership capabilities early in employees' careers. This initiative aims to ensure a strong pipeline of capable leaders prepared to take on future challenges. Additionally, succession planning is a priority for the senior leadership team, ensuring SLT maintains the benchmark strength required to seamlessly fill critical roles and sustain organisational growth. By investing in leadership development at all levels, SLT aims to build a robust leadership framework aligned with its strategic goals to drive long-term success.

Employees

🕒 Building a Future-Ready Workforce: Attracting and Retaining Top Talent

SLT's recruitment policy is designed to attract individuals who not only meet job requirements but also align with our values and long-term vision. We are committed to a merit-based, transparent, and non-discriminatory hiring process, ensuring candidates are evaluated based on skills, potential, and adaptability, rather than just traditional qualifications. Our approach prioritises diversity and inclusion, fostering a workplace that thrives on different perspectives. Additionally, we uphold strict privacy and confidentiality standards in handling candidate data. By focusing on future-ready talent, we seek professionals who can adapt to emerging technological advancements and contribute to SLT's growth.

Attracting and retaining top talent remains a persistent challenge for SLT and the broader telecommunications industry in Sri Lanka. The evolving expectations of the younger workforce, which increasingly values flexibility through remote work, hybrid models, and project-based opportunities, necessitate a strategic re-evaluation of workplace policies to remain competitive. Furthermore, the ongoing brain drain has intensified the necessity for proactive talent acquisition and retention strategies.

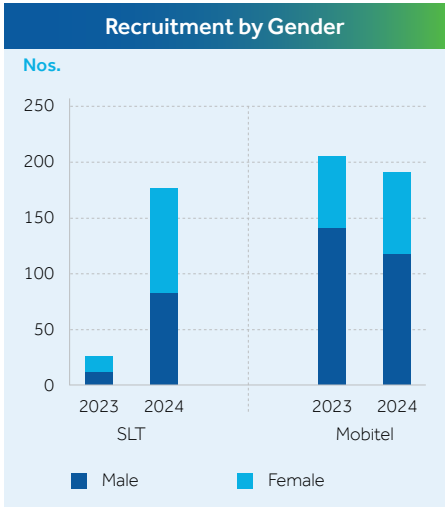
In response to these challenges, SLT is adopting a comprehensive, multi-faceted approach designed to enhance talent acquisition and retention. A key aspect of this strategy involves skill-based hiring, where the focus is progressively shifting from traditional qualifications to relevant expertise in areas such as applications, solutions, and software development. The engagement of hiring consultants serves to ensure that talent is assessed based on the requisite skill sets, thereby enhancing the precision and effectiveness of recruitment efforts.

Additionally, SLT is expanding its internship programmes to bridge the gap between academic learning and industry requirements. Through this initiative,

hands-on training has been provided to 1,670 trainees from both government and private universities, as well as vocational institutes, particularly in advanced fields such as data centres and 5G technology. The success of this approach is evident in the fact that many accomplished interns receive job offers upon completing the programme. A notable example of this initiative was the hosting of ten students from the University of Hertfordshire, UK, for a practical exposure session focused on optical fibre technologies and IOT. During their visit to the SLT-Mobitel Nebula Institute of Technology in Welisara, the students engaged with their peers pursuing the same degree, thereby fostering academic exchange and collaboration. Their experience included tours of key facilities such as the SLT Tier 3 Data Centre in Pitipana, the SEA-ME-WE 6 landing station in Matara, and the cable depot in Galle. Furthermore, hands-on sessions on fibre splicing and IoT were conducted, enhancing their practical understanding of cutting-edge technologies. This visit also incorporated a cultural event aimed at promoting cross-cultural collaboration and learning.

Recognising that Sri Lanka's female workforce remains underutilised, SLT is committed to empowering women by creating more inclusive career opportunities to bridge the gender gap and enhance diversity within the telecommunications sector. Flexible roles within the gig economy are being explored to facilitate the reintegration of women returning to the workforce after childcare-related career breaks. By providing such flexible arrangements, SLT enables women to balance family commitments with professional aspirations, thereby facilitating their pursuit of more fulfilling roles within the industry.

Furthermore, SLT actively supports flexible, hybrid and remote work models through the implementation of technology-driven solutions designed to enhance productivity and engagement. This approach not only promotes work-life balance, but also ensures that teams remain connected and efficient despite the evolving dynamics of the modern workplace.



🕒 Recruitment by Region for SLT Staff

Location	2024	2023
Western	144	25
Central	01	0
Southern	02	0
Eastern	19	0
Sabaragamuwa	03	0
North Central	02	0
North Western	02	0
Uva	02	0
Northern	01	0
Total	176	25

Employees

Building a Strong SLT Employer Brand

SLT actively collaborates with academic institutions, research organisations, and industry leaders to attract emerging talent and foster innovation. These partnerships are essential for bridging the gap between academia and industry, providing opportunities for students and young professionals to gain practical experience while contributing fresh ideas to SLT's growth and development.

Additionally, SLT places significant emphasis on enhancing its digital presence to effectively showcase its Employee Value Proposition (EVP). By sharing employee stories, promoting company values, and maintaining a positive online presence, SLT aims to attract top talent who resonate with its vision and culture. This effort is complemented by a strong focus on providing an exceptional candidate experience throughout the recruitment process. To ensure a seamless and positive hiring journey, SLT plans to implement measurable impact assessments. This will enable continuous refinement of the recruitment process and help enhance overall satisfaction for potential employees.

To further bolster its employer brand, SLT plans to introduce employee advocacy training programmes that encourage staff to share positive workplace experiences as brand ambassadors. This initiative aims to build trust and enhance SLT's visibility and reputation as an employer of choice within the talent market.

Building a Positive Workplace Culture at SLT

SLT is committed to fostering a positive workplace culture that supports employee well-being, collaboration, and continuous growth, ensuring employees thrive and contribute to the Company's success. A key aspect of this commitment is promoting psychological safety by creating an open environment where employees are encouraged to share ideas, take risks, and innovate without fear of failure. This culture of psychological safety nurtures creativity and continuous improvement, empowering individuals to contribute their best efforts.

Employee well-being is another critical focus area for SLT, encompassing mental, physical, social, and financial health. The Company offers wellness programmes, flexible work arrangements, and professional counselling to support employees' overall well-being. By promoting a healthy work-life balance, SLT aims to ensure sustained personal and professional success for its workforce.

Additionally, SLT fosters a collaborative culture characterised by open communication and cross-functional teamwork. To achieve this, the organisation focused on undertaking initiatives that promote shared leadership and better alignment of efforts across all levels. These efforts are expected to illuminate organisational silos and inter-departmental disconnect, enhance collaboration, strengthen internal relationship and ultimately support SLT's continued growth and success.

☞ Diversity, Equity, Inclusion, and Belonging (DEIB) at SLT

SLT recognises that fostering a diverse, equitable, and inclusive workplace is essential to driving innovation, collaboration, and long-term business success. Significant progress has already been made, including promoting gender inclusivity in hiring practices and establishing employee resource groups (ERGs) such as those focused on religion and sports. Moving forward, SLT is committed to strengthening these initiatives further. In 2025, the Company will formalise and expand its DEIB strategy to cultivate a culture where every employee feels valued, empowered, and truly connected to a sense of belonging.

To achieve this, SLT will refine its recruitment processes by partnering with diverse networks and providing training for hiring managers to ensure unbiased and equitable hiring practices. Inclusive hiring, with a focus on diversity, will form the backbone of efforts to attract a broader and more variegated talent pool. Additionally, mandatory DEIB training will be introduced for all employees, focusing on unconscious bias, inclusive behaviours, and fostering an equitable workplace, while leadership will receive targeted coaching to ensure DEIB principles are championed from the top-down.

☞ SLT-MOBITEL's Education Arm, SLT-Mobitel Nebula Institute of Technology: Shaping Future-Ready Talent for Sri Lanka's Digital Transformation

The SLT-Mobitel Nebula Institute of Technology (Nebula Institute), formerly recognised as the SLT Training Centre, has continuously evolved to meet the technological and vocational education needs of Sri Lanka's workforce. Established in 1973 and renamed as the SLT Talent Development Centre in 2018, the institution was officially rebranded as the SLT-Mobitel Nebula Institute of Technology on 01 January 2024. This transformation reflects the Institute's commitment to adapting to the evolving demands of a rapidly advancing digital era.

Nebula Institute specialises in engineering, digital technologies, and vocational education, offering programmes that cater to both SLT employees and the broader community. The Institute offers a wide range of programmes including degree programmes such as BEng (Hons) in Electrical and Electronic Engineering, BEng (Hons) in Robotics and AI, and BSc (Hons) in Data Science, delivered in partnership with the University of Hertfordshire, UK. Its Higher National Diploma programmes include the Pearson BTEC Level 5 Higher National Diploma in Electrical and Electronic Engineering, Pearson BTEC Level 5 Higher National Diploma in Digital Technologies, and Pearson BTEC Level 5 Higher National Diploma in Computing. Additionally, Only Pearson BTEC Level 5 Higher National Diploma in Electrical and Electronics Engineering is considered as having NVQ 6 equivalence among such courses of study. The Pearson BTEC Level 3 Foundation Diploma in Engineering serves as an essential preparatory pathway for aspiring professionals.

Certificate courses expand learning opportunities through specialised training in areas such as Applied Information Technology, Optical Fibre Technology, Installation of FTTH New Connection, and Advanced Optical Fibre Technology. Vocational education programmes are structured to meet industry requirements,

Employees

including the NVQ Level 4 Telecommunication Technician programme. In addition, Nebula Institute of Technology is recognised as the NVQ RPL Assessment Centre.



**SLT-Mobitel Nebula Institute of Technology
Graduation ceremony 2024**

Nebula Institute's dedication to academic excellence has been recognised through various prestigious awards, including the Pearson BTEC International Level 3 and Level 5 Higher National Recognition Award 2023, Pearson BTEC Emerging Centre of the Year 2022, Pearson BTEC Top Performing Centre 2022 - Bronze Award, and the Best Managed Project in the Academic/Education Sector – NPME 2023. These accolades underscore the Institute's leadership in technological and vocational education.

Through its Recognition of Prior Learning (RPL) programme, Nebula Institute certified 121 SLT employees as NVQ Level 4-qualified telecommunication technicians, aligning workforce skills with industry standards. Additionally, the Institute has contributed to upgrading NVQ Level 4 Technician standards through collaboration with TVEC and NAITA.

Strategic partnerships with prestigious local and international institutions, including the University of Hertfordshire, Pearson UK, TVEC, NAITA, IET, SLIM, EC Council, RED HAT Academia, and SLASSCOM, further enrich the curriculum and provide globally recognised qualifications.

Nebula Institute continues to play a pivotal role in developing Sri Lanka's digital talent pool, training an annual average of 1,000 external students and 9,484 internal trainees. Its initiatives, such as the e-sports Interuniversity Showdown 2024 and ongoing upskilling programmes, demonstrate the Institute's commitment

to fostering a new generation of tech-savvy professionals equipped to meet the demands of an evolving technological landscape.

🕒 **Fostering a Culture of Recognition, Engagement, and Employee Development at SLT**

SLT demonstrates a steadfast commitment to employee recognition, engagement, and professional development, which remains integral to cultivating a positive and high-performing workplace. A comprehensive suite of programmes and initiatives has been established to acknowledge outstanding performance, encourage collaborative efforts, and facilitate continuous professional growth. These strategic efforts contribute meaningfully to the Organisation's sustained success and uphold a culture of excellence, inclusivity, and innovation.

Employee Recognition Programmes

SLT continues to acknowledge and encourage outstanding employees through formal recognition initiatives designed to enhance excellence in performance across various departments and roles. The Call-Centre Star Award and Champions of the Month Programme are pivotal components of this recognition framework, aimed at appreciating top performers across diverse categories.

These initiatives honour excellence in roles such as Regional Telecom Office Manager of the Month, OPMC Manager of the Month, Sales Manager of the Month, and Network Engineer of the Month. By recognising exceptional achievements in a wide range of functions, these awards contribute to fostering a culture of recognition and motivation throughout the Organisation.

Moreover, by celebrating employees who consistently deliver high-quality work, SLT reinforces its commitment to excellence and inspires others to pursue similar standards of professionalism and dedication. These initiatives not only highlight individual accomplishments but also serve as powerful motivators, enhancing overall employee engagement and satisfaction.

Employee Engagement Activities

A series of initiatives has been carried out by SLT aimed at cultivating a positive and engaging work environment through a variety of initiatives aimed at promoting collaboration, building community, and enhancing overall job satisfaction. These efforts are designed to create an atmosphere where employees feel valued, supported, and motivated to contribute to the Organisation's success.

A significant aspect of this approach involves team-building and community engagement activities, which include biannual sales team face-offs, religious events, corporate social responsibility initiatives, and the SLT Games. These activities provide opportunities for employees to interact and bond outside of their regular work environment, thereby fostering camaraderie, teamwork, and a genuine sense of belonging. By encouraging informal interactions and collaborative experiences, SLT strengthens interpersonal relationships and enhances organisational cohesion.

Furthermore, the Annual Get-Together Programme serves as a cornerstone of SLT's efforts to strengthen workplace cooperation and improve employee relations. This initiative provides a platform for employees to engage informally while celebrating team achievements and milestones. By aligning this programme with key performance targets and accomplishments, SLT reinforces its commitment to promoting both personal and professional growth among its workforce.

Through these initiatives, SLT demonstrates its dedication to creating a supportive and vibrant work culture that values collaboration, recognises achievements, and encourages continuous development.

Further, HR has provided ongoing support, including financial resources, to the established Employee Resource Groups (ERGs) focused on areas such as religion and sports. These help to create inclusive platforms for connection beyond formal work structures. These groups foster a sense of belonging, break down functional silos, and encourage cross-functional interaction, which are essential for building a collaborative, agile organisational culture that thrives on trust, openness, and shared purpose.

Employees

Effective Communication Channels

SLT ensures that its employees are always informed, respected, and connected to the Company's mission through multiple communication platforms, ensuring transparency and a sense of belonging.

- Official communications are shared through corporate emails and "Info" messages to convey important updates about company achievements, new products, and official notices.
- Informal communications, such as farewell notes or updates on sporting events, are shared via Socio mails, providing employees with a more casual and friendly connection to the organisation.
- SLT uses a variety of digital platforms including the intranet, email, SMS, WhatsApp groups, and Microsoft Teams to keep employees connected and engaged across both formal and informal communication channels.

Employee Development and Career Growth

SLT places significant emphasis on continuous learning and career advancement, offering employees various pathways to grow their skills and achieve their professional goals. The SMART Employee Programme is a cornerstone of this commitment, aimed at developing a multi-skilled workforce through comprehensive training, mentorship, and recognition, which includes nationwide award ceremonies to celebrate employee achievements.

The Company also provides structured career progression opportunities, enabling employees to pursue higher qualifications and advance within the Organisation. Through the Pearson HND Level 5 programmes offered by the SLT-MOBITEL Nebula Institute of Technology, SLT supports employees in obtaining NVQ Level 6 equivalent qualifications, enhancing their professional capabilities and readiness for future roles.

Additionally, SLT encourages employees to pursue higher education and obtain industrial certifications by reimbursing costs associated with their educational endeavours. This support underscores the Company's commitment to lifelong learning and skill enhancement. Complementing these initiatives, SLT arranges high-value training sessions with recognised institutions, providing employees with valuable opportunities to expand their skill sets and contribute more effectively to their roles.

Years of Service

Years of Service	SLT		Mobitel	
	2024	2023	2024	2023
Less than 5 years	680	2,522	592	578
5-10 years	2,650	786	195	233
10-20 years	751	884	405	514
20-30 years	1,166	1,436	190	76
Above 30 years	968	595	15	5

Building a Transparent and Equitable Career Progression Framework

SLT takes great pride in its industry-leading technical expertise, supported by some of Sri Lanka's finest telecom professionals across SLT, Mobitel, and our associated subsidiaries. However, attracting top-tier talent remains a challenge, as younger professionals often perceive legacy organisations differently.

To maintain our competitive edge, the prioritisation of internal promotions allows us to leverage our specialised expertise, particularly in areas such as our fibre network and nationwide infrastructure, which are distinct strengths that differentiate us in the industry. Although external recruitment is occasionally necessary, particularly for non-engineering roles, the organisation remains committed to fostering career growth from within.

Our promotion and recruitment processes are carefully structured, embedded within our Organisational framework, and continuously refined to ensure transparency and fairness. In alignment with this commitment, we have initiated

necessary revisions to establish a new Staff Recruitment and Promotion Scheme (SRPS), designed to meet evolving requirements.

Performance Management and Career Progression Enhancements

SLT continues to refine its performance management and career progression frameworks to enhance alignment with strategic objectives, ensure fairness, and promote employee growth. The performance appraisal system has been optimised to align individual goals with SLT's broader vision, emphasising managerial accountability and the rigorous monitoring of Key Performance Indicators (KPIs) to drive organisational success.

The introduction of clearly defined job-level competencies ensures that performance evaluations are grounded in relevant skills and behaviours essential to each role, promoting consistency and fairness. Enhancements to the appraisal rating scale have further improved the accuracy and comprehensiveness of evaluations, ensuring ratings are closely aligned with organisational outcomes and expectations.

A structured performance calibration process has been established to enhance fairness, involving multi-level reviews to ensure objective and accurate assessments. This process includes calibration at the Chief Officer level for General Managers and Deputy General Managers, and at the General Manager level for all other employees.

To support effective performance management, SLT will continue to strengthen its comprehensive training programmes for managers focussing on goal setting, KPI formulation and constructive feedback. This will enable continuous development through regular check-ins and feedback loops, digitally documented to maintain comprehensive performance records for the accurate year-end evaluations.

Tailored Performance Improvement Plans (PIPs) and Individual Development Plans (IDPs) are employed to address performance gaps and support professional growth, with digital tools facilitating effective progress monitoring. Initial implementation focuses on leadership teams, with plans to expand these initiatives to all employees.

Employees

To remain responsive to evolving industry standards and market dynamics, SLT's performance management system undergoes continuous refinement. By integrating digital tools and real-time feedback mechanisms, the system is consistently optimised to effectively drive organisational success.

➔ **Fostering Strong Employee-Employer Relations through Inclusive Management**

In July 2023, SLT introduced the Committee for Inclusive Management (CIM) as a strategic initiative aimed at enhancing employee-employer relations across the organisation. The CIM is designed to proactively address workforce concerns and resolve potential issues before escalation, thereby fostering a harmonious and collaborative workplace environment.

With a network of over 25 recognised trade unions within SLT, the CIM serves as a centralised platform for employees to express their concerns, present demands, and contribute ideas that support the Company's growth and development. This structured approach facilitates direct communication between trade union representatives and key stakeholders, enabling efficient dialogue and resolution of critical matters.

Furthermore, the CIM provides management with an effective forum to share updates, clarify Company policies, and communicate strategic decisions in a manner that is transparent and efficient. This mechanism ensures alignment between organisational objectives and employee expectations, contributing to a cohesive and resilient corporate culture.

Key Objectives of the Committee for Inclusive Management (CIM)

- Enhancing two-way communication involves strengthening dialogue between employees and management to foster mutual understanding.
- Promoting employee engagement encourages active participation in company discussions and decision-making.
- Resolving workplace issues focuses on addressing grievances in a structured and timely manner to prevent escalation.

- Influencing the process of decision-making ensures that employee perspectives are considered in the development of organisational policies.
- Increasing organisational agility allows for the early identification of concerns, and promotes collaborative problem-solving.

Senior leadership, including the Chairman and Chief Executive Officer (CEO), chairs CIM meetings, ensuring that employee concerns receive attention at the highest levels of the Organisation. A dedicated team consisting of the Chief People Officer (CPO), General Manager (GM) of Human Resources (HR) and Industrial Relations (IR), and Deputy General Manager (DGM) of Employee Relations (ER) and IR maintains ongoing dialogue with trade unions.

SLT focuses on constructive negotiations and discussions to deliver balanced, mutually beneficial solutions that support both employee well-being and organisational objectives. This approach is pivotal in fostering transparency, trust, and open communication across the workforce.

SLT remains committed to creating an inclusive and productive work environment where employee perspectives are valued, and industrial harmony is sustained.

➔ **Strengthening Workplace Integrity: Grievance Handling and Whistleblowing Mechanisms**

SLT is committed to fostering a workplace environment that upholds fairness, transparency, and accountability. Structured mechanisms have been established to address employee concerns and ensure ethical conduct across the Organisation, supporting this vision.

Grievance Handling Process

The Grievance Handling Committee has been set up to facilitate the swift and effective resolution of employee concerns while promoting a positive employer-employee relationship. This Committee is responsible for overseeing all grievances raised by employees and ensuring a fair and transparent settlement process.

Key aspects of the grievance handling framework include:

- Regular committee meetings are held at least once a month, with a minimum of three members in attendance.
- Individual grievance consideration is limited to grievances raised directly by the affected employee.
- Timely resolution is ensured by submitting the committee's recommendations to the CEO, with a final decision provided within a reasonable time frame not exceeding one month.

Whistleblowing Policy: Ensuring Ethical Practices

To further strengthen its governance framework, SLT introduced its first-ever Whistleblowing Policy, establishing a secure and anonymous channel for individuals to report concerns related to misconduct or unethical behaviour. This initiative underscores SLT's commitment to integrity and ensures that all reports are managed with confidentiality and impartiality, promoting a culture of transparency and accountability.

The whistleblowing mechanism offers safe reporting channels through which employees can anonymously report concerns pertaining to misconduct, legal violations, regulatory breaches, conflicts of interest, or any actions that could potentially harm SLT, its customers, shareholders, employees, the public, or the Company's reputation. Recognising the importance of impartial oversight, SLT has appointed a Whistleblowing Unit comprising four independent members who are not affiliated with the SLT Group. This independent body is responsible for conducting preliminary investigations into reported incidents, ensuring that inquiries are carried out objectively and without bias.

The investigation process begins with a thorough assessment by the Whistleblowing Unit to determine whether a prima facie case exists. If further inquiry is warranted, the matter is escalated to an internal audit, forensic audit, or formal investigation, as appropriate. Upon the conclusion of the

Employees

investigation, a detailed report is submitted to the Audit Committee, which subsequently directs the Chief Internal Auditor and CEO to implement necessary actions.

In addition to ensuring thorough investigations, SLT has implemented robust measures to protect whistleblowers from retaliation or victimisation. This safeguard is intended to encourage employees to utilise the whistleblowing mechanism responsibly and in good faith, without fear of adverse consequences.

By instituting this comprehensive whistleblowing policy, SLT reaffirms its dedication to fostering an ethical work environment where concerns are addressed transparently and effectively.

🕒 HR Initiatives at Mobitel

Mobitel has implemented a series of strategic HR initiatives designed to enhance employee well-being, foster continuous learning, and build a strong organisational culture. These initiatives not only prioritise employee engagement but also ensure that Mobitel remains a future-ready organisation prepared to navigate emerging challenges in the telecommunications industry. Recognising the importance of a balanced work-life environment, Mobitel introduced flexible working hours, allowing employees to manage their schedules more effectively, and achieve a healthier work-life balance. Additionally, as part of its commitment to employee health and wellness, Mobitel expanded its healthcare support by extending the weekly visiting doctor service to the Propertex Building at Ramanayake Mawatha, ensuring greater accessibility to healthcare services and demonstrating its dedication to employee well-being and satisfaction.

Mobitel has introduced 'mAcademy', a platform aimed at enhancing employee skills through various interactive programmes. Key initiatives include the Monthly Book Club, fostering knowledge-sharing and intellectual growth, and the Quarterly Coffee Break, which offers employees an informal space for networking and exchange of ideas. The Wisdom Wave feature sends out weekly motivational quotes to inspire employees and promote a positive work culture.

In addition, Mobitel shows its commitment to supporting employees through initiatives like honouring female staff on International Women's Day 2024 with tokens of appreciation and grooming sessions. The Company also supported employees affected by the June 2024 floods by providing vouchers. Prioritising workplace safety, Mobitel has conducted comprehensive first-aid training for cross-functional teams to ensure preparedness in medical emergencies.

Mobitel's cultural engagement is promoted through 'mClub' events such as Wesak Almsgiving, the Bakthi Geetha Programme, and the Christmas Carol Event, enhancing social cohesion and appreciation for diverse cultures. The Company's focus on innovation is demonstrated through mCash initiatives like the Wonder Women Fair, empowering women entrepreneurs, and the Cashless "Aurudu Salpila," which encourages digital payments during New Year celebrations. The Food Festival also promotes community spirit by offering a vibrant culinary experience for employees. These initiatives highlight Mobitel's dedication to fostering professional development, employee well-being, safety, and cultural engagement in a supportive work environment.

🕒 Commitment to Workforce Growth: Expanding Training and Development Initiatives

SLT remains committed to continuous learning and professional development, ensuring that employees possess the skills required to excel in an evolving industry. Over the course of the year, a range of targeted training programmes has been implemented, resulting in an average of 23 training hours per employee.

In furtherance of our dedication to cultivating a highly skilled and adaptable workforce, the SMART Employee Programme has been actively rolled out to foster a multidisciplinary workforce by enhancing cross-functional expertise. As part of this initiative, 253 employees were trained and certified as SMART Employees, expanding their skill sets to support a variety of operational needs.

🕒 Key Training Programmes Conducted by SLT during the Year

Training programme	Number of participants
Special Programme on Artificial Intelligence and Machine Learning	134
Special Training Programme on Nurturing Sales Leads and Presenting Sales Pitch	75
Special Training Programme on Cybersecurity and Latest Trends	75
ISO 27001:2022 Lead Implementer	17
Smart Technicians Grooming and Dining Etiquette Training Programme	581
Emergency First Aid Training	25
Docker and Kubernetes	25
Project Management Professional	36
Professional Certificate Course for Administrative Staff Development (PCAD)	33
Work-life Balance	116
Azure Administrator	20
Business Writing for Executives	53
AI Transformation for Business Executives in Telecom Industry	110
Line Manager's Role in HR	25
AI for Managerial Effectiveness	14
Problem Solving and Design Thinking	23
AWS Cloud Practitioner	20
Future of Telco Business and Technologies Changing Telco Landscape	186

Employees

🕒 Key Training Programmes Conducted by Mobitel during the Year

Training programme	Number of participants	Total Training Hours
ISO 27001: 2022 Lead Implementer Training for Mobitel Staff	2	18
Nokia Training	20	400
First Aid Training	34	272
Professional Certificate in Building Maintenance and Facilities Management (BMandFM)	6	72
SAFe POPM Training	3	54
Beyond the Screen-Programme 01	171	513
Certified Scrum Product Owner	2	36
Excel Training Programme	32	256
Finance for Non-Finance	19	152
Performance Management Training	366	732
Public Speaking Training Programme	19	76
Negotiation Skills for Enterprise Business	29	208

🕒 Average Hours of Training by Employment Category

	SLT	
	2024	2023
Senior Management	33.4	22.2
Middle Management	40.1	28.4
Executives	42.6	20.15
Non-executives	19.5	0

Details pertaining to training conducted by SLT

Average number of training hours provided per employee:

23

Investment on training and development for 2024

Total local training:
LKR 43.46 Mn.

Total foreign training:
LKR 75 Mn.



Details pertaining to training conducted by Mobitel

Average number of training hours provided per employee:

5.1

Investment on training and development for 2024

Total local training:
LKR 16.4 Mn.

Total foreign training:
LKR 11.0 Mn.

Employees

🕒 Prioritising Employee Health, Safety, and Well-being

SLT recognises that a safe and healthy workforce is essential to maintaining productivity, morale, and the overall well-being of our employees. Our commitment to workplace health and safety extends beyond mere compliance, reflecting our dedication to cultivating a positive work environment, reducing workplace risks, and improving employee retention.

Health Awareness and Wellness Initiatives

In 2024, SLT implemented various health awareness initiatives aimed at educating employees and promoting preventive healthcare. These efforts included breast cancer screening clinics conducted in collaboration with two leading hospitals, eye care clinics organised in partnership with reputable optical companies, and a cardiac care awareness session led by a leading hospital. A diabetes awareness session was also held in Kandy to address regional health concerns. Furthermore, employees were offered exclusive discounts on medical tests and hospitalisation at three leading hospitals, enhancing their access to quality healthcare.

Comprehensive Employee Health and Support Programmes

To ensure the well-being of our employees, SLT provides a range of health and wellness benefits, including:

- Annual Employee Health Screening Programme (SLT Suwatha Programme) is SLT's annual employee health screening initiative, aimed at assessing overall employee well-being. By identifying and mitigating health risks early, the programme helps reduce healthcare costs, minimise absenteeism, enhance productivity, and promote a healthier workforce. Through proactive health management, SLT reinforces its commitment to employee well-being and workplace efficiency.
- Medical Benefit Scheme, offering financial assistance for medical expenses.

- Enhanced Agrahara Insurance Scheme, providing increased coverage and financial support for medical treatments.
- Access to Counselling Programmes, available as needed to support mental health and emotional well-being.
- Physical Fitness Programmes to promote a healthy lifestyle
- Financial Assistance for Critical Illness Treatments.
- Discounted eChannelling Services for easier access to medical consultations.
- A fully functional on-site medical center, with a doctor available on all working days, providing convenient access to healthcare and also to obtain diagnostic testing reports at concessionary rates, enhancing both accessibility and affordability of care.
- In-housed Fruit Juice Stall supports healthy eating habits and provides nutritious alternatives to employees during the workdays.

Promoting Workplace Inclusivity through Diversity Day

SLT annually commemorates International Women's Day in March to honour and empower its female workforce. In 2024, this initiative was expanded into "Diversity Day," aimed at fostering a more inclusive workplace by encouraging participation from all employees. This event served as a platform for individuals to showcase their talents in singing and performing arts, while also engaging in professional awareness sessions focused on grooming and personal development, healthcare and well-being, and strategies for maintaining work-life balance.

Advancing Workplace Safety Standards

SLT has taken significant steps to enhance occupational health and safety (OHS) through the implementation of a structured Health and Safety Management System, which earned us the prestigious ISO 45001:2018 Occupational Health and Safety Management System certification.

Key OHS initiatives include:

- Developing and implementing safety procedures as part of our Health and Safety Management System.
- Establishing a Risk Management Process to identify and mitigate potential hazards.
- Implementing an Incident Management Procedure to address workplace incidents efficiently.
- Conducting Health and Safety Audits at SLT Head Quarters.
- Forming a Steering Committee to oversee and review safety progress.

🕒 Adapting to Change

To drive organisational transformation and ensure alignment across all critical elements, SLT focuses on several key areas that contribute to effectiveness and adaptability during change management. The Company employs a comprehensive model designed to ensure that business processes, corporate culture, and leadership dynamics are cohesively structured to support strategic goals. This approach facilitates alignment between people and processes during change management, assists in identifying areas of misalignment, and reinforces existing organisational strengths.

A fundamental aspect of this model is the emphasis on role modelling leadership, which encompasses leadership style and staff management. SLT actively encourages its leaders to drive transformation by inspiring employees and fostering an adaptive mindset that embraces change. Effective leadership plays a pivotal role in guiding the Organisation through periods of transition and ensuring that teams remain motivated and focused on shared objectives.

Additionally, structured communication is prioritised to enhance systems and reinforce shared values. Establishing robust two-way communication channels is essential for fostering understanding, transparency, and

Employees

employee buy-in during organisational shifts. Clear and consistent communication helps mitigate resistance to change, and ensures that all stakeholders are aligned with the Company's vision and strategic direction.

Skill development and training are also integral components of SLT's transformation model. By addressing skill gaps through targeted learning programmes and upskilling initiatives, the Company aims to future-proof its workforce, ensuring that employees possess the knowledge and capabilities required to thrive in a rapidly evolving industry.

Moreover, process integration plays a critical role in aligning organisational structures, policies, and workflows with the changing dynamics of the market and technological advancements. Ensuring that systems and processes are streamlined and coherent enhances both efficiency and compliance, thereby enabling the Organisation to respond more effectively to external challenges and opportunities.

Through this structured and holistic approach, SLT demonstrates its commitment to fostering a resilient, adaptable, and high-performing organisation that is well-equipped to navigate the complexities of change management.

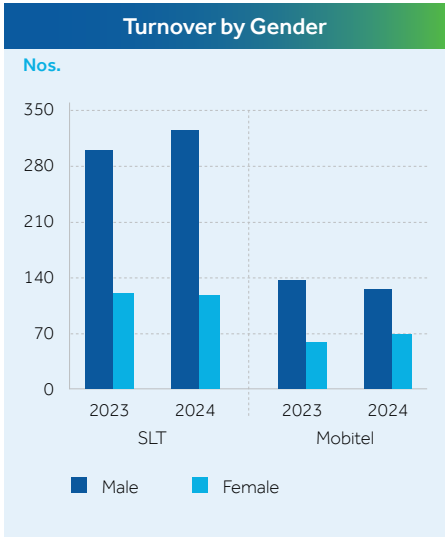
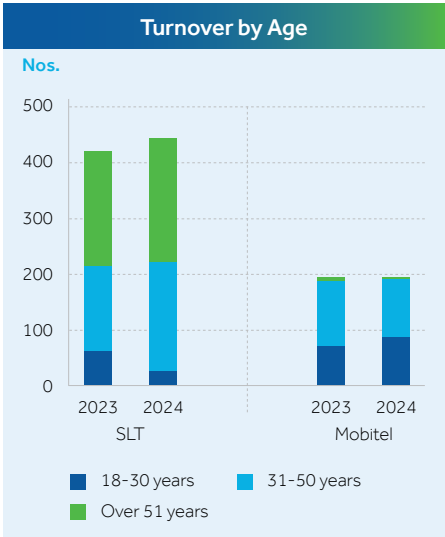
➡ Maternity Leave

Employees who took Maternity Leave

	SLT			Mobitel		
	2024	2023	2022	2024	2023	2022
Number of employees	59	55	60	14	14	31

➡ Employee Turnover

During the year, 637 employees left the Company due to resignations and retirements.



Partners and Suppliers

The telecommunications landscape is a dynamic and intricate network of interdependent services, where success in today's fast-paced market depends on effective collaboration. Sri Lanka Telecom (SLT), has been prioritising long-term strategic partnerships with both global and local suppliers to drive sustainable growth and achieve our business objectives. These partnerships enable us to deliver cost-effective, innovative solutions that meet the diverse needs of our customers while fostering innovation to develop groundbreaking offerings. By cultivating a robust network of partners, SLT remains committed to strengthening Sri Lanka's digital and telecommunications ecosystem, ensuring seamless service delivery to end-users

🔄 Streamlining Supplier Relationships

SLT adopts a proactive approach to managing supplier relationships, ensuring efficient procurement processes and adherence to global standards. Key strategies include: a.) Group-Level Negotiations: By negotiating as a unified entity rather than individual teams, SLT achieves cost efficiencies and economies of scale, particularly in areas like IT investments and Annual Maintenance Contracts (AMC). b.) Unified Licensing Models: Consolidated licensing and AMC negotiations strengthen our bargaining power, enabling us to secure enhanced pricing and benefits that are passed on to our customers. c.) Procurement Process Optimisation: changes to procurement processes have streamlined tender procedures, leading to faster and more efficient outcomes for suppliers. d.) Global Price Benchmarking: Regular benchmarking exercises for frequently procured items maximise cost savings and improve supplier relationships. To maintain high Service Level Agreements (SLAs) and monitor Key Performance Indicators (KPIs), SLT is developing advanced dashboards to oversee procurement, payment, inventory management, and order triggers. These tools equip decision-makers with critical, real-time insights essential for operational success.

🔄 Fortifying the Telecommunications Supply Chain

Suppliers are the backbone of SLT's mission to keep Sri Lanka connected. From network infrastructure to facilities management, our Procurement Department collaborates closely with operational teams and trusted suppliers to strengthen every link in the telecommunications supply chain. Our comprehensive supplier management program includes:

- **Rigorous Selection Processes:** Suppliers are rigorously evaluated across multiple dimensions, including product and service quality, operational reliability, commitment to sustainability, capacity for innovation, and competitive pricing. This holistic approach ensures that SLT partners with vendors who align with our values and contribute to our long-term success. SLT actively encourages direct engagement with Original Equipment Manufacturers (OEMs) to ensure cost leadership, maintain high quality standards, and drive greater value across the supply chain. SLT has also implemented innovative sourcing strategies and digital platforms for competitive bidding with the objective of leveraging SCM functions to the next layer.
- **Supplier Development Initiatives:** Supplier capabilities are continuously enhanced through supplier awareness forums, and collaborative problem-solving sessions.
- **Open Communication:** SLT maintains open communication with its suppliers and regular dialogue with them fosters trust, encourages feedback, and enables quick resolution of issues, strengthening long-term partnerships.

🔄 CONBES (Consignment Basis Equipment Sales) Suppliers/ Partners

In line with our commitment to elevating customer experience and broadening access to premium technology, we established strategic partnerships with consignment-based equipment vendors specializing in high-end gadgets and smart devices. This model enables us to offer the latest consumer technologies from advanced routers to cutting-edge smart home solutions through our Teleshops and Life Store, without the need for upfront inventory investment.

These partnerships strengthen our product ecosystem while providing customers with enhanced choice, convenience, and value. This initiative further reinforces our position as a customer-centric telecommunications provider, focused on delivering innovative and accessible technology solutions.

- SALA Enterprises
- Esquire Telecom
- SENSE Micro Distribution (Pvt) Ltd.
- Siyol International (Pvt) Ltd
- Debug Computer Peripherals (Pvt) Ltd.
- Sri Lanka Telecom Services
- Bravo Solutions
- Browns Engineering
- A. J. Technics (Pvt) Ltd
- ICT Distribution (Pvt) Ltd.
- XICHUAN Lanka (Pvt) Ltd.
- CIVIC Business Solutions (Pvt) Ltd.
- APTINEX (Pvt) Ltd.
- Makers Holdings (Pvt) Ltd.
- South Asian Technologies
- Syntegrity Technologies
- DCS International (Pvt) Ltd.

Partners and Suppliers

SLT's ESG Journey: Driving Impact Through Purposeful Partnerships

As part of SLT's commitment to sustainability and responsible corporate citizenship, we have formed strategic partnerships with key organisations to drive our Environmental, Social, and Governance (ESG) initiatives. Collaborating with the Department of Forest Conservation, Central Environmental authority and the Ministry of Environment, we focus on protecting and restoring Sri Lanka's rich biodiversity. In partnership with Wayamba University of Sri Lanka, we support research and capacity building in blue carbon and environmental conservation. Our alliance with the STEMUP Educational Foundation empowers youth through digital literacy and STEM education, fostering innovation and critical thinking. Through our collaboration with Nawaloka Hospital PLC and eChannelling we promote health and wellness, further reinforcing our commitment to social sustainability. Additionally, as an active participant of the UN Global Compact Network Sri Lanka, we align our strategies with global principles on human rights, labour, environment, and anti-corruption, reinforcing our dedication to sustainable development. These partnerships are a testament to our integrated approach to creating lasting value for the environment, society, and the nation.

Partners for Digital Products

- Ascension IT for Easy Storage
- ICT Distribution (Pvt) Ltd for Kaspersky
- Duthaya Digital Services (Pvt) Ltd for Duthaya service platform
- Echo 3000 (Pvt) Ltd for Playstreet gaming platform

Active Sales Partners in 2024

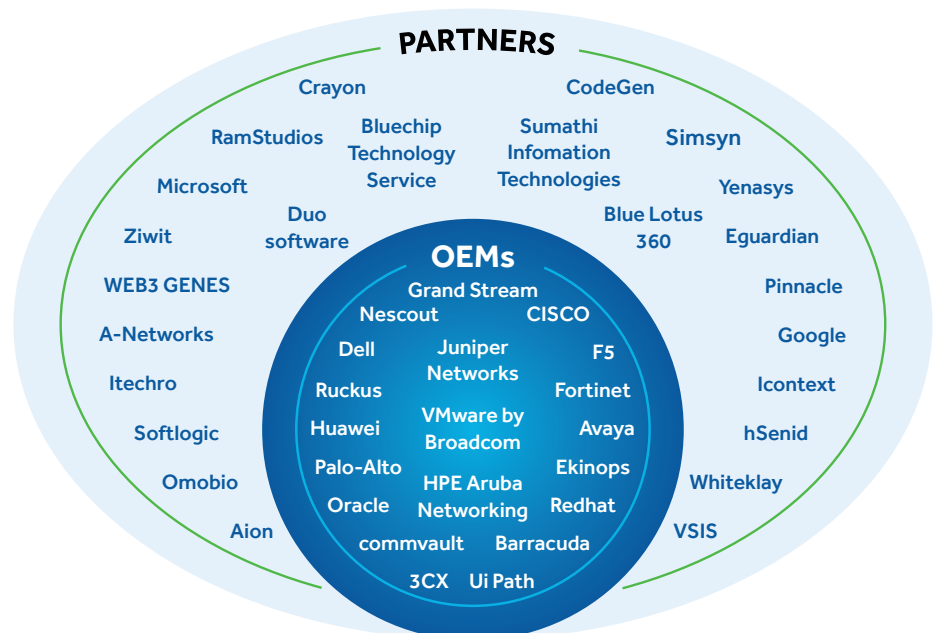
- Talentfort Pvt. Ltd.
- LC Smart Business Solution
- New Samanala Bookshop and Traders
- Softlabs Innovation (Pvt) Ltd.
- LC Enterprises
- The Office Partner

Active Solutions Partner List 2024

- Hayleys Fentons
- Advanced Network technologies (Pvt) Ltd.
- Vista Solutions (Pvt) Ltd.
- Genius Engineering (Pvt) Ltd.
- Unique network (Pvt) Ltd.
- Finco technologies (Pvt) Ltd.
- Metropolitan communications (Pvt) Ltd.

- Glowmax (Pvt) Ltd.
- SALA Enterprises (Pvt) Ltd.
- SLTDS
- SLTS
- Talentfort
- PWJ Lanka (Pvt) Ltd.
- Bartleet Electronics (Pvt) Ltd.
- GSM Cellular Service Center
- Finetech Consultancy (Pvt) Ltd.
- Lexicon technology (Pvt) Ltd.
- L H P Energy Holdings (Pvt) Ltd.
- Lanka Communication Services (Pvt) Ltd.
- Asiacom (Pvt) Ltd.
- Connex360 (Pvt) Ltd.
- ITED Technologies and Solutions (Pvt) Ltd.
- Eguardian Lanka (Pvt) Ltd.
- Secvision (Pvt.) Ltd.

Enterprise's Robust Partner Eco System



Partners and Suppliers

➔ Strategic Alliances

SLT PARTNERSHIPS

Multi-tenant projects partnerships

SLT provided digital services to the following developers/projects in 2024.

- **International Construction Consortium (Pvt) Ltd.** – Saama Villas, Techno Hub, The Residencies – Kotte
- **Blue Ocean Waves (Pvt) Ltd.** – Blue Ocean – 19th Lane
- **Cool Planet (Pvt) Ltd.** – Cool Planet Kirula Road Project, Nugegoda (Ph2)
- **Home Land Skyline (Pvt) Ltd.** – Greendale Retirement Resort and Residencies
- **South Beach Weligama Properties (Pvt) Ltd.** – South Beach Weligama
- **Archedium Analytics (Pvt) Ltd.** – Emerita – The Golden Age Sanctuary
- **Grand Apartment (Pvt) Ltd.** – Grand Avenue
- **Harbour Village (Pvt) Ltd.** – Marina Square Mixed Development Project
- **Suncity Developers (Pvt) Ltd.** – Suncity Malabe
- **Peak Developers (Pvt) Ltd.** – Peak Residencies

MOBITEL PARTNERSHIPS

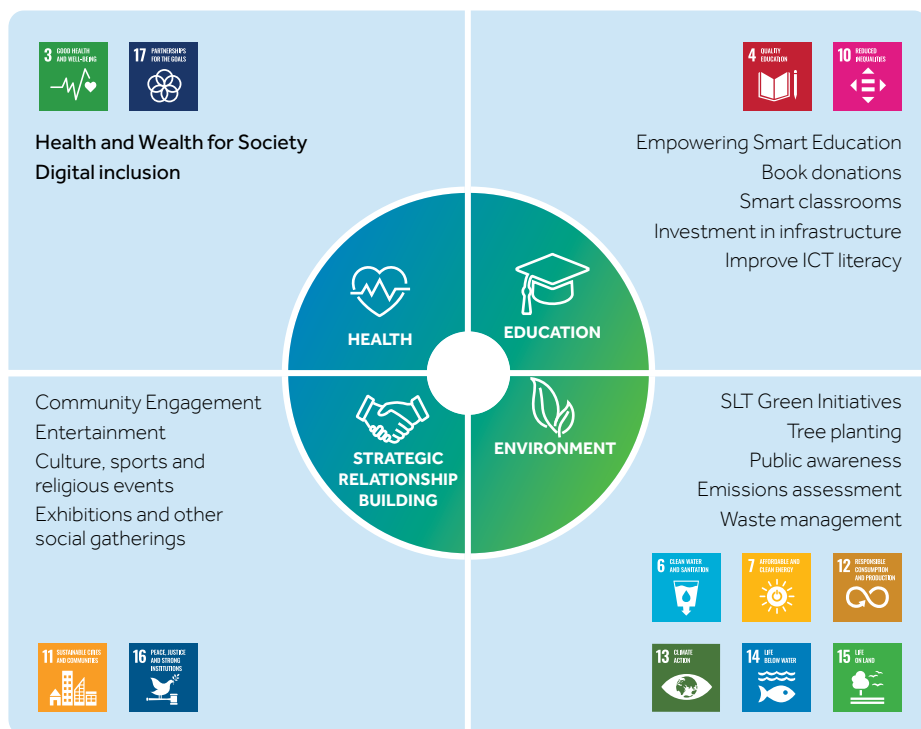
- Partnering with Department for Registration of Persons for Digital Authentication of NICs
- Rakuten Viber partnering with SLT-MOBITEL Mobile to offer unlimited free data
- “Rata Dinana Singiththo”, a nation-building exercise in partnership with Hatton National Bank
- Expanding mGuide Service accessibility for HUTCH Customers
- eChannelling partnering with Ministry of Foreign Affairs
- Launched online seat reservation website and app for Sri Lanka Railways
- mCash partnering with ComBank and Visa to offer attractive rewards for LANKAQR merchants
- mCash partnering with Union Bank to offer enhanced banking solutions
- mCash partnering with “Lanka Remit” to offer safe and low-cost remittance channel
- mCash and Ceylinco General Insurance join forces to empower Sri Lankan women
- Partnership with People’s Leasing and mCash to support their customers



Community and Country

At SLT, we remain deeply committed to empowering communities and contributing to national progress through inclusive, technology-driven initiatives. Guided by our ESG theme “Co-connection”, our efforts in 2024 focused on creating meaningful links between people, technology, and the environment, while addressing critical social, economic, and environmental needs. Aligned with the United Nations Sustainable Development Goals (UNSDGs), our initiatives promoted digital inclusion, supported education, championed climate action, and strengthened community resilience, reinforcing our role as a catalyst for sustainable and inclusive growth across Sri Lanka.

These endeavours were strategically guided and overseen by the ESG Committee at SLT, which plays a pivotal role in integrating sustainability into the core of our business practices, and ensuring accountability in our ESG commitments.



🌿 Environmental Stewardship

We strengthened our commitment to environmental sustainability by integrating energy-efficient technologies and implementing sustainable practices throughout our operations. As a result, we successfully managed greenhouse gas emissions in a significant way, underscoring our dedication to climate action and responsible resource stewardship.

🌱 Empowering Sustainability Through Environmental Restoration and Education

As part of our ongoing commitment to environmental sustainability and education, SLT has embarked on transformative initiatives to support both ecological restoration and academic growth.

In collaboration with the Forest Department, we launched a groundbreaking mangrove restoration project in Pubudugama in Puttalam district, restoring 4.2 hectares of vital mangrove ecosystems. This initiative aligns with our ESG theme of

“Co-Connection,” reflecting our dedication to harmonising operations with environmental and societal needs. By addressing climate change and biodiversity loss, the project supports the United Nations Sustainable Development Goals (SDGs), including SDG 13: Climate Action, SDG 14: Life Below Water, and SDG 15: Life on Land, while contributing to the Kunming-Montreal Biodiversity Framework.

Additionally, we continue to nurture academic excellence and environmental research through our Blue Carbon Ecosystem Scholarship Programme. This programme supports undergraduate research focusing on mangroves, seagrass, and salt marshes, providing financial aid of up to LKR 250,000 per scholarship. In 2024, SLT granted three scholarships to university students from Colombo, Uva Wellassa, and Wayamba universities. This initiative aims to empower aspiring researchers to advance the conservation and sustainable use of blue carbon ecosystems while fostering innovation and environmental stewardship.

Furthering our commitment to education and innovation, SLT’s Nebula Institute of Technology has emerged as a beacon of excellence, transforming Sri Lanka’s knowledge economy. Formerly known as the SLT Training Centre, the institute has been rebranded with the theme “Where Stars Are Born” to equip students with the skills needed to tackle global engineering and technological challenges.



Mangrove restoration – Site in Pubudugama

Celebrating Sea grass Day and Mangrove Restoration

As part of its continued commitment to environmental stewardship, SLT partnered with the Ministry of Environment to commemorate the National Celebration of World Seagrass Day 2024 and the UN Restoration Flagship Award. The event

Community and Country

celebrated Sri Lanka's accomplishments in mangrove restoration and highlighted the vital role of blue carbon ecosystems in enhancing climate resilience. By supporting this national initiative, SLT reaffirmed its position as a corporate leader in environmental sustainability, championing eco-conscious policies and practices that contribute to long-term ecological balance.

World Wetlands Day 2024

Reinforcing its dedication to environmental education and conservation, SLT partnered with the Central Environmental Authority to celebrate World Wetlands Day 2024 at Diyatha Uyana, Thalawathugoda, under the global theme "Wetlands and Human Wellbeing". The event was featured three engaging sessions: an interactive learning experience, knowledge sharing through lived experiences, and a nature photography segment all aimed at raising awareness of the vital role wetlands play in supporting ecological and community wellbeing.

SLT Calendar 2024 Emphasised Sri Lanka's Mangrove Ecosystems

Reinforcing its commitment to environmental conservation and awareness, SLT unveiled its 2024 corporate calendar under the theme "The Mangrove Ecosystems in Sri Lanka." The calendar pays tribute to the rich biodiversity and ecological importance of mangroves, while highlighting their critical role in climate resilience and the preservation of Sri Lanka's natural heritage. At a time when mangrove ecosystems are under global threat, this initiative aims to foster greater public awareness and inspire responsible action to protect and restore these vital blue carbon ecosystems for future generations.

📌 Educational Empowerment

We strengthened our commitment to inclusive and equitable education by delivering digital literacy and STEM-focused programmes to youthful population. Additionally, we invested in infrastructure development and expanded access to technology, helping to ensure equal learning opportunities for students across Sri Lanka.

Code Club @ SLT-MOBITEL

Focused on students aged eight to sixteen, SLT in collaboration with the STEMUP Educational Foundation, established the "Code club" skill development programme to drive STEM learning and coding opportunities, while fostering critical thinking, creativity, and analytical skills. This initiative reflects SLT's commitment to empowering the next generation of innovators and bridging the Nation's ICT skill gap. The programme has expanded significantly, with sessions being conducted at three Nebula Institute of Technology centres and seventeen public libraries, including the Colombo Public Library where the first batch of participants recently completed their training. The success of this initiative demonstrates SLT's dedication to providing equal access to quality STEM education for students across the island, sparking an interest in technology and innovation among hundreds of youth.



Code club at public library in Colombo

Enhancing Education and Community Ties during Avurudu

To mark the Sinhala and Tamil New Year, SLT conducted a community outreach programme at Thisogama Sri Pali Mahavidyalaya in Bingiriya, benefiting 350 students. Reinforcing its commitment to education and community development, the initiative included donations of 160 school bags, essential school supplies, a library book pack, and a smart TV for the Smart Classroom. SLT also enhanced connectivity by supporting network re-arrangement in the school's IT lab, promoting digital learning and inclusive educational access.

📌 Advancing Healthcare Access

In collaboration with eChannelling, we enhanced healthcare accessibility in remote regions by expanding telemedicine services and deploying innovative digital health solutions effectively bridging the gap between patients and essential medical care.



Sabandiyawe Dahami Sathkaraya-Suwa Sewana Health Camp 2024

Demonstrating its commitment to community well-being, SLT, in collaboration with eChannelling and Nawaloka Hospitals Group, organised the 'Sabandiyawe Dahami Sathkaraya Suwa Sahana Health Camp' to uplift the health of communities in Ratmalana and Moratuwa. The camp provided essential medical services, including free blood testing, electrocardiograms (ECGs), eye check-ups, and complimentary spectacles, benefiting hundreds of residents, especially the elderly. Qualified medical professionals were also available for consultations on general health and nutrition. To extend healthcare accessibility beyond the physical event, SLT facilitated two weeks of free online medical consultations via the eChannelling platform, allowing individuals to seek expert medical advice from the comfort of their homes. By integrating technology with healthcare and fostering community partnerships, SLT continues to enhance healthcare accessibility, promote preventive care, and empower individuals to prioritise their well-being.

Innovating within healthcare, the Group's eChannelling platform introduced the Eco Channelling service, which offers doorstep delivery of medicines through the newly launched mAgent network, enhancing patient convenience.

Community and Country



Sabandiyawe Dahami Sathkaraya-Suwa Sewana Health Camp 2024

🔗 Strategic Relationships Building

In alignment with its commitment to national development and inclusive progress, SLT actively supported a diverse array of community-focused sponsorship initiatives in 2024. These efforts spanned education, innovation, youth empowerment, engagement towards professional and economic sector, entertainment, sports, religious and cultural activities, demonstrating SLT's role as a key enabler of social advancement in Sri Lanka. Each initiative was thoughtfully selected to empower individuals, strengthen community bonds, preserve cultural heritage, and contribute meaningfully to the nation's progress, reflecting SLT's broader ESG vision and alignment with the United Nations Sustainable Development Goals (UNSDGs).

Support for Education, Innovation and Youth Empowerment

Recognising that education and innovation are cornerstones of a thriving future, SLT continued to invest in initiatives that empower Sri Lanka's youth. The Company extended its support to EDEX Expo 2024 in Colombo and Kandy, as well as the Navigator – Higher Education & Career Fair in Galle, providing valuable guidance to school leavers and university aspirants. SLT further demonstrated its commitment to digital inclusion through the SLIOT Challenge 2024, which encouraged hands-on learning in IoT and emerging technologies. Additionally, the Company supported Techno 2024, Sri Lanka's premier engineering and technology exhibition, providing a platform for local innovation and creative expression. Through these efforts, SLT continued to nurture a digitally empowered, future-ready generation.

Professional and Economic Sector Engagement

SLT reinforced its support for national development by engaging with professional and economic sectors through high-impact sponsorships. The Company proudly sponsored the BNI National Conference 2024, facilitating collaboration among entrepreneurs and SMEs, and the Global CEO Forum & Awards Ceremony 2024, which brought together influential business leaders to discuss innovation and transformation. SLT also supported the National Project Management Excellence Awards 2024, honouring achievements in project execution, and partnered with the International Conference on Frontiers in Molecular Life Science organised by the University of Colombo, advancing academic and research excellence.

Entertainment and Sports

As part of its commitment to youth development and community engagement, SLT sponsored several high-profile sporting and entertainment events in 2024. The Company supported the Southern Eliyakanda Hill Climb 2024, a major motor racing event that celebrates local sporting talent and regional tourism. SLT also contributed to the historic Battle of the Maroons cricket encounter, promoting school spirit and sporting excellence among youth.

Religious and Cultural Engagement

Preserving Sri Lanka's rich religious and cultural fabric remained a priority for SLT in 2024. The Company proudly supported the Nallur Temple Festival 2024, fostering cultural unity and religious inclusivity. Seasonal celebrations also received strong backing, including Salalihini Wasanthaya by the Sri Lanka Rupavahini Corporation, Wasantha Udanaya by Sirasa TV, and the Champion Star Avurudu programme by TV Derana, bringing traditional festivities to communities across the nation.

Through these multi-faceted sponsorships, SLT reaffirmed its commitment to enriching lives, fostering inclusivity, and strengthening community resilience continuing its journey as not only a telecommunications leader, but a responsible corporate citizen dedicated to shaping a more connected and inclusive Sri Lanka.

TelcoNEXT: Shaping the Future of Telecommunications

SLT, in collaboration with TM Forum, successfully hosted the inaugural TelcoNEXT event, a groundbreaking initiative aimed at transforming the telecommunications industry in Sri Lanka. The event served as a platform for industry leaders, innovators, and stakeholders to explore emerging trends, share insights, and collaborate on solutions for the rapidly evolving telecom landscape. With a focus on driving digital transformation and fostering innovation, TelcoNEXT highlighted key advancements in 5G, AI, and cloud technologies, emphasising their potential to reshape industries and empower communities. Through Key Note Address from TMForum, panel discussions, workshops, and interactive sessions, participants gained valuable knowledge and inspiration to propel the telecom sector into a new era of connectivity and excellence.

Innovation through Connectivity

In the realm of entertainment, SLT's eSports platform fosters opportunities for professional-level participation while creating thousands of hours of engagement. The Company also actively promotes new entertainment channels to reach broader audiences.

In education, SLT is a leader in school digitalisation through school fiberisation programme and supports e-learning platforms like eSiphala. By delivering innovative educational solutions to enterprise partners, the Company is driving the growth of Sri Lanka's knowledge economy.

Governance

94

Board
of Directors

100

Executive
Management

105

Corporate
Governance

120

Report of the Board
Audit Committee

123

Report of the
Remuneration
Committee

124

Report of the
Nomination and
Governance Committee

127

Report of the Related
Party Transactions
Review Committee

128

Forensic and
Compliance

129

Enterprise Risk
Management

Board of Directors



Dr Mothilal de Silva

Chairman/Independent Non-Executive Director

Date of Appointment

4 November 2024

Directorships in subsidiaries/ Board Committee memberships

Chairman/Director of eChannelling PLC, Mobitel (Pvt) Ltd., Sri Lanka Telecom (Services) Ltd., SLT Human Capital Solutions (Pvt) Ltd., Galle Submarine Cable Depot (Pvt) Ltd., and Mobit Technologies (Pvt) Ltd.

Member of the Technology Subcommittee, Group Senior Tender Board, Nominations and Governance Committee.

Skills and Experience

With a career spanning over many decades, Dr Mothilal de Silva is a results oriented multidisciplinary C-level executive in the telecommunication industry having experience in Sri Lanka and multiple countries in Asia and Pacific regions. He is a turnaround specialist and a strategist.

Under his leadership as Group Chief Executive Officer, he turned around the Fiji's state-owned telecommunication company Telecom Fiji Ltd. sustainably after 5+ consecutive loss-making years. During his tenure at Telecom Fiji, the Company registered consistent growth in profit, dividend and investment for network modernisation. He was also the Group Chief

Strategy Officer and Group Chief Corporate Officer of Dialog Axiata, General Manager (Sales, Marketing and Customer Service) of MTN Networks Pvt Ltd and Vice President Process Excellence and Group Operations of Axiata Group Malaysia. He sat on the Board of Directors of Lanka Communication Services Pvt Ltd., a telecommunication service provider for enterprises in Sri Lanka.

As a C-level executive at Dialog, Dr Mothilal set up Corporate Planning, Strategy, MIS, Business Intelligence, Performance Management, Quality, Process Reengineering, Enterprise Programme Management and Corporate Development divisions from scratch while apprenticing young set of managers who had progressed to become leaders in Dialog and Axiata Group subsidiary companies. He was also instrumental in winning GSMA Awards, International Asia Pacific Quality Award, Asia CSR Award for Dialog Axiata and many national awards.

Dr Mothilal had delivered over 60 presentations in various international forums as a speaker, panelist, session Chairman, and Workshop leader mainly on the Next Generation Networks, Corporate Venture Capital for Telco, Platform Economy, Business Intelligence, Sustainability and Business Integral CSR. Dr Mothilal received Bizz NXT Awards 2022 under the category of Top 50 Business Growth Leaders in technology at BizTalk World Conference, Dubai. He served as a member of the High-level Advisory Council of the World Internet Conference, Wuzhen, China as a nominee of Minister of Cyberspace Administration, China from 2015 to 2017.

Dr Mothilal obtained Doctor of Business Administration from PPA Business School, Paris, with a distinction for his dissertation "Corporate Venture Capital as an engagement model for co-creating 5G ready services". He has a MSc in IT from Keele University UK, MBA from PIM, SL, BSc (Engineering) SL, Post Graduate Diploma in Strategic Management from Maastricht School of Management, Netherland and a Postgraduate Diploma in Marketing Management from PIM SL.



Mr Chan Chee Beng

Non-Independent, Non-Executive Director

Date of Appointment

5 June 2008

Directorships in subsidiaries/ Board Committee memberships

Director of Mobitel (Pvt) Ltd. and e-Channelling PLC.

Member of the Remuneration Committee and the Nominations and Governance Committee.

Skills and Experience

Mr Chan counts over 40 years of experience in investment banking, general and financial management and accounting. He worked at Ernst & Young and Morgan Grenfell and Co. Ltd., prior to joining the Usaha Tegas Sdn Bhd (UTSB) Group in 1992 as Head of Corporate Finance.

He holds an Honours Degree in Economics and Accounting from the University of Newcastle-upon-Tyne, United Kingdom and is a Fellow of the Institute of Chartered Accountants of England and Wales.

Other Appointments

Director of Global Communication Services Holdings Ltd. Maxis Communications Berhad, Binariang GSM Sdn Bhd, UTSB Management Sdn Bhd, Pan Malaysian Sweeps Sdn Bhd, BGSM Management Sdn Bhd, BGSM Equity Holdings Sdn Bhd, True Happiness Capital Sdn Bhd, Ace Pursuit Sdn Bhd, and Yu Cai Foundation.

Board of Directors



Mr Lawrence Paratz

Non-Independent, Non-Executive Director

Date of Appointment

26 May 2010

Directorships in subsidiaries/ Board Committee memberships

Director of eChannelling PLC, Mobitel (Pvt) Ltd., Sri Lanka Telecom (Services) Ltd., Galle Submarine Cable Depot (Pvt) Ltd. and Mobit Technologies (Pvt) Ltd.

Skills and Experience

Mr Lawrence Paratz holds an MSc (Telecommunication Systems) with Distinction, and was awarded the Philips prize from Essex University, and an MEng Sc from the University of Queensland.

He is a Fellow of Engineers Australia (FIEAust) and an alumnus of the Stanford University Executive Development Programme. He also holds Bachelor's Degrees in Science and Engineering (Honours). In 2011, he was elected as a Fellow of the Australian Academy of Technological Sciences and Engineering (ATSE).

Mr Paratz has more than 40 years experience in all facets of the telecommunication including mobile, fixed, broadband, satellite and international networks both domestic, and international. This includes capital and infrastructure development, operations, sales, customer service and regulatory issues. As a Director and Chief Executive of Acacia Australia

Pty Ltd., he was responsible for development of an integrated proposal for delivery of national broadband communication for Australia.

He has served as a Director of Maxis Communication Berhad, Chairman of the Technology Committee of the Board, as a Director of Vernet Pty Ltd, a company providing ultra high speed Broadband to universities and research establishments in Australia, and a former Senior Executive of Telstra Corporation. He is also an Advisor to major companies in the Australian Telecommunications market.

Mr Paratz has had executive responsibility for multi-billion dollar programmes and integrations including network transformations and deployments across multiple technologies, with extensive experience in international, metropolitan and regional and rural communications. He previously served as a member of the Board of the Australian Government's Internet Assistance Programme. He has been an invited speaker at the Australian Health Informatics Conference, and the Australian Academy of Technological Sciences and Engineering.

He was formerly Chairman of the On-Trac@ Peter Mac Adolescent and Young Adult Cancer Programme and has been involved in a number of initiatives in e-health.

Other Appointments

Director of Razorback Pty Ltd., Paratz Group Companies, and Real Thing Entertainment Pty Ltd. and associated subsidiaries.



Mr V U Kumar

Non-Independent, Non-Executive Director

Date of Appointment

2 July 2021

Directorships in subsidiaries/ Board Committee memberships

Director of Mobitel (Pvt) Ltd.

Skills and Experience

Mr Kumar has been with PricewaterhouseCoopers for nearly 36 years. He has led and worked on some of the most challenging and complex assignments, both in Malaysia and globally, working with multinational and blue-chip national clients in audit, business advisory, mergers and acquisitions, valuations, privatisations, Initial Public Offerings (IPOs), and cross-border transactions.

Other Appointments

Director of Bumi Armada Berhad (Malaysia), Senandung Semalam Sdn.Bhd. (Malaysia), Venus Edition Sdn.Bhd.(Malaysia), Sukuk Investment (Pvt) Ltd., (Sri Lanka), Maxis Berhad (Malaysia), Bukit Baulana (Pvt) Ltd., Aphrodite Island Sdn Bhd (Malaysia), South Asia Communications Private Ltd. (India), Deep Blue Investments (Pvt) Ltd. (Sri Lanka) Pulau Mutiara (Pvt) Ltd. (Sri Lanka), Digital National Berhad.

Board of Directors



Mr Suren Amarasekera

Independent, Non-Executive Director

Date of Appointment

8 December 2022

**Directorships in subsidiaries/
Board Committee memberships**

Director of Mobitel (Pvt) Ltd.

Chairman of the Related Party Transactions Review Committee and Technology SubCommittee.

Member of the Audit Committee.

Skills and Experience

Mr Amarasekera has expertise in the telecom industry spanning 29 years. He has been associated with globally renowned telcos: Singapore Telecommunications Ltd. (Sing Tel) in Singapore and Sri Lanka; Sri Lanka Telecom's Mobitel; Maxis Berhad in Malaysia; Aircel Limited in India, and Ncell Axiata in Nepal. Suren's strong cultural adaptation skills have been greatly honed with in-depth multi-market work exposure gained during multi-year stints in Singapore, Sri Lanka, Malaysia, India, and Nepal.

He has provided advisory services in ICT and digital transformation (Tactile Internet, 5G/6G and SuperApps) since 2020. During 2017-2019, he was the Strategic Projects Director, South Asia Region with the Axiata Group Berhad. Mr Amarasekera was appointed MD/CEO of Ncell Axiata in July 2017. He widened Ncell's market leadership and led the digital transformation that

further elevated the Company's position with USD 575 Mn. annual turnover and an EBITDA margin of 60%.

From 2014-2017, Mr Amarasekera served as the Chief Enterprise Officer of Aircel Limited with responsibility for 4G LTE Services, Enterprise, Wholesale and Carrier Businesses and notably facilitated the sale of 20 MHz of Aircel's 4G spectrum in eight circles for approximately USD 600 Mn. as a debt-reduction mechanism.

Mr Amarasekera served as EVP and Joint COO of Maxis Berhad, Malaysia from 2011-2013 and guided the Company to be the first to commercially launch 4G in Malaysia and had overall P&L management with annual turnover of MYR 9 Bn. and an EBITDA margin of 50%. He served as a Board Member of the Bridge Alliance, Singapore, serving over 750 million customers from 2005 - 2011, Mr Amarasekera was the CEO of Mobitel propelling the Company to achieve revenue market share growth from 12% to over 26%, making Mobitel rank 2 in a fiercely competitive market.

Mr Amarasekera worked at Singapore Telecommunications [SingTel] in Singapore from 1999-2005 in numerous Senior Management capacities and prior to that from 1992-1998 was among the first non-Singaporeans to head an overseas operation. He was the Managing Director of Lanka Communication Services and Lanka Cellular Services and he was instrumental in its successful divestiture of Call Link effecting a smooth transition to Hutchinson in August 1997.

He holds a Bachelor of Science and Master of Science in Computer Systems Engineering from Syracuse University, New York, USA and an MBA from University of Chicago, Booth School of Business, Illinois, USA.

Other Appointments

Director Bensons Private Ltd., Akin Lanka (Pvt) Ltd., Akin Pte Ltd. (Singapore) and Akin KL Sdn Bhd Malaysia.



Mr Niel Unamboowe P.C

Independent, Non-Executive Director

Date of Appointment

4 November 2024

**Directorships in subsidiaries/
Board Committee memberships**

Director of Mobitel (Pvt) Ltd.

Chairman of the Nominations & Governance Committee and Remuneration Committee Member of the Senior Tender Board.

Skills and Experience

Mr Niel Unamboowe, President's Counsel, has approximately 36 years of experience as a lawyer. Currently engaged in private practice, he served in the Attorney General's Department, until his retirement in 2019 as Additional Solicitor General. Whilst in the Attorney-General's Department, he headed the prosecution for the Presidential Commission of Inquiry and Investigation into Alleged Irregularities at Sri Lankan Airlines, Sri Lanka Catering Limited, and Mihin Air Limited.

Throughout his career in the Attorney General's Department, he was involved in significant inquiries, including the Presidential Commission into the Affairs of Sri Jayawardenepura General Hospital in 1994 and the inquiry and investigation into involuntary disappearances in 1995. He played a key role in the Revenue Unit, providing legal guidance to the Ministry of Finance and the Treasury, and to various Government departments including Customs and Inland Revenue.

Board of Directors

Mr Unamboowe was a recipient of scholarships from the WIPO Worldwide Academy and from the World Bank and holds two Master's Degrees in Intellectual Property Law from the University of Turin, Italy and the second LLM from George Washington University, Washington D.C. USA. Further, he holds certificates in Commercial Law, Cyber Law and Air Law from the National University of Singapore and the National Law School of India University (Bangalore). He has received specialised training in areas such as Nuclear Safeguards and Intellectual Property Enforcement.

With extensive supervisory experience across various legal subjects, he has also served as Head of the Civil Division of the Southern Province and as a legal consultant for several governmental organisations including the Atomic Energy Authority of Sri Lanka, the Sri Lanka Standards Institute and the National Apprentice and Industrial Training Authority. Additionally, his commitment to legal education is evident in his roles as a member of the Board of the Institute of Advanced Legal Studies, a Supervisor for diploma dissertations, and as a visiting lecturer and examiner in legal programmes at various institutions, including the National Institute of Social Development and the University of Moratuwa contributing to shaping the next generation of legal professionals.

Other Appointments

Director of Sri Lanka Insurance Corporation Ltd.



Mr Chandrasiri Kalupahana

Independent, Non-Executive Director

Date of Appointment

4 November 2024

Directorships in subsidiaries/ Board Committee memberships

Director of eChannelling PLC.

Chairman of the Group Audit Committee and a member of the Related Party Transactions Review Committee.

Skills and Experience

Mr Kalupahana is a Fellow Member of CA Sri Lanka and holds membership in several other professional bodies. He is a seasoned professional whose journey began at KPMG Sri Lanka. He has served as a Governing Council Member and Chairman of the Business School at CA Sri Lanka.

He has also worked as an Independent Non-Executive Director and Chairman of the Audit Committees and Related Party Transactions Committees at Lanka Hospitals Corporation PLC and Lanka Hospitals Diagnostics (Pvt) Ltd.

Mr Kalupahana was formerly a Group Chief Officer at Sri Lanka Telecom (SLT), where he led the Internal Audit, Revenue Assurance, and Fraud Management departments. Prior to joining SLT, he served as the Chief Financial Officer at the Regional Development Bank and worked as an

Assistant General Manager at Pan Asia Bank. He has held the position of General Manager at three regulated companies in Sri Lanka, Tanzania (East Africa), and Angola (West Africa), and has also worked in Saudi Arabia.

He is an Executive Council Member and Treasurer of the Organisation of Professional Associations of Sri Lanka, the apex body of 52 professional member associations representing 34 disciplines, with a total membership of over 60,000 professionals.

He has received extensive overseas business exposure and training in various fields, including banking, finance, and auditing.

Other Appointments

Director of Softlogic Finance PLC, where he chairs three committees: Audit, Related Party Transaction Review, and Nomination and Governance. Additionally, he serves as a member of the Human Resources and Remuneration Committee and the IT Security and Steering Committee.

Board of Directors



Mr T M Thilakaratne

Independent, Non-Executive Director

Date of Appointment

4 November 2024

Directorships in subsidiaries/ Board Committee memberships

Director of Mobitel (Pvt) Ltd., SLT Human Capital Solutions (Private) Limited, and Sri Lanka Telecom (Services) Limited.

Member of the Technology Subcommittee and Remuneration Committee.

Skills and Experience

A seasoned telecommunications professional with decades of industry experience, holding a National Diploma in Technology from the University of Moratuwa. He has a strong foundation across Operations, Maintenance, Sales, Marketing, Customer Service, Quality Management, and Project Management, making him a versatile and resourceful professional in the telecom sector.

Throughout his career, he was consulted on numerous telecommunications projects, bringing a wealth of knowledge and insight into both technical and business domains. His strategic input and operational expertise have been instrumental in driving project success and adapting solutions to meet diverse market needs. Additionally, he has worked with Tritel Services (Pvt) Ltd. for over 15 years, where he played a key

role in expanding the payphone network across Sri Lanka, contributing significantly to both sales and operations.

He has also undergone extensive training in telecommunications operations and business management, both locally and internationally, enabling him to stay aligned with global standards and industry innovations.



Mr Dilip Silva

Non-Independent, Non-Executive Director

Date of Appointment

31 January 2025

Directorships in subsidiaries/ Board Committee memberships

Member of the Group Audit Committee.

Member of the Related Party Transactions Review Committee.

Skills and Experience

Mr Dilip Silva who is a senior officer in Special Grade of the Sri Lanka Accountants' Service, assumed the duties of the post of Deputy Secretary to the Treasury on 28 October 2024. With extensive experience as an Accountant in regional administration, he has held various posts in several Departments of the Treasury and has experience of nearly 34 years of service in the public service.

He has joined the Sri Lanka Accountants' Service in 1992 and has then performed his duties as a representative of the financial sector of several major Departments such as the Department of State Accounts, Department of Treasury Operations, Department of Management Audit and Sri Lanka Customs, etc. attached to the Ministry of Finance. He had been appointed as the Director General of Treasury Operations from 11 November 2020 to 27 October 2024 and performed the duties of the said post very successfully before being appointed as the Deputy Secretary of the Treasury.

Board of Directors

He possess a Honours Degree in Public Administration from the University of Sri Jayewardenepura in 1991, a Diploma in Public Planning from the Sri Lanka Institute of Development Administration in 2011 and a postgraduate degree in Public Management and Project Management from the same institution in 2016.

Mr Silva is also a member of prestigious professional bodies such as the Chartered Institute of Public Finance and Accountancy (London) and the Association of Accounting Technicians of Sri Lanka. He has registered as a Certified Business Accountant with The Institute of Chartered Accountants of Sri Lanka.

Throughout his career, he has received extensive foreign training in accounting, financial management, public debt management, and Treasury cash flow operations from international institutions and universities. He has also served as a member of the Sri Lankan delegation on several occasions.

He has represented the Treasury as a Board member of many statutory bodies including Development Lotteries Board National Lotteries Board National Science Foundation, Open University of Sri Lanka – Audit and Management Committee. Furthermore, he has also served as the Treasury representative of the Procurement Committees in major ministries such as the Ministry of Defence, Ministry of Transport and Highways, Ministry of Urban Development and Ministry of Health. Currently, he represents the Treasury as a Board member of the State Mortgage and Investment Bank (SMIB), National Innovation Agency and also serves as a member of the Governing Council of the University of Sri Jayewardenepura.

Other Appointments

Deputy Secretary to the Treasury



Mr Mahesh Athukorale
Group Company Secretary

Date of Appointment

1 November 2014

Skills and Experience

Appointed in November 2014 as the Company Secretary. His career spanning over 28 years, he has more than 20 years of experience in the SLT Group and over eight years in the mercantile and financial sectors. Mr Mahesh Athukorale is an Attorney-at-Law. He holds an MBA from the University of Colombo and a Bachelor's degree in Law from the Open University of Sri Lanka. He is an Associate Member of the Chartered Governance Institute of the United Kingdom. He also functions as Company Secretary for Board Subcommittees and subsidiaries of SLT Group.

Executive Management



Mr Janaka R Abeyesinghe

Chief Executive Officer

Driven by an interest in advancing technologies and accommodating the growing needs of consumers and enterprises Mr Janaka Abeyesinghe, the Chief Executive Officer of the SLT Group, oversees the strategic direction, operations, and overall performance of the Organisation, ensuring its continued growth and success in the telecommunications industry.

Mr Abeyesinghe began his career at SLT in 1991 having graduated from the University of Moratuwa, where he received a First Class Honours degree in Electronic and Telecommunications Engineering. A keen tech enthusiast, he believes that to be successful in the race for digital innovation; strengthening digital skills, rolling out digital tools, and accelerating new product development in a collaborative environment is essential. He realises the importance of new opportunities for bundled service offerings, innovative solutions and enhanced flexibility in purchasing and consuming services to enable business agility; and brings extensive insight and a keen eagerness towards his vision in his role as the Chief Executive Officer.

Prior to taking up the mantle of CEO, Mr Abeyesinghe, served as the Chief Enterprise and Wholesales Officer, leading the enterprise and wholesale business of SLT that provides integrated voice and data solutions to enterprises, and government institutions. He previously held the position of General Manager Enterprise & International Sales and has extensive experience in the areas of Enterprise Digital Services, Enterprise Communications Solutions, Data Communications, Business Development, Domestic and International Switching Operations and Global Wholesale Voice and Data Business.

A Fulbright Scholar, he earned a Master's Degree in Electrical and Computer Engineering from the University of Kansas, USA and is a Chartered Engineer, a member of the Institution of Engineers Sri Lanka, and a member of the Computer Society of Sri Lanka. Mr Abeyesinghe has also served on the Board of the Sri Lanka Institute of Nanotechnology (SLINTEC) as a Non-Executive Director.



Mr Prabhath Ambegoda

Chief Operating Officer
Chief People Officer (Covering up)

Mr Prabhath currently holds the position of Chief Operating Officer of the Sri Lanka Telecom PLC. Current portfolio spans Corporate Strategy, Networks, Projects, Regional Operations, Telecommunications Regulations, Tariff, Programme Management, Risk Management, Quality Assurance, Information Security, Supply Chain Management, Facility Management, Administration, Legal, Revenue Assurance, Fraud Management and Business Continuity Management of the Group. In addition to this, he has been entrusted with the additional responsibility of covering the Chief People Officer position since May 2025 on an interim basis.

He joined Sri Lanka Telecom in 1991 as an Engineer, after graduation counts over 33 years of multidisciplinary managerial experience in the telecommunication industry, in the fields of Engineering, Corporate Strategy, Human Resource while been instrumental in new Business Development, Innovation and Company Transformation programmes at various stages. He has held multiple leadership roles in his career with more than 23 years of experience in Corporate Management of telecommunication.

During his career, he has gained extensive industry related knowledge and trainings from National and International Academia in number of countries. Further, he has undergone several certificate courses in other disciplines in Corporate Finance Accounting, Marketing, Secretariat services and General Management. He was a trainer of Commonwealth Telecommunication Organisation (CTO) programmes.

Mr Prabhath is a Chartered Engineer by his profession, holds BSc(Eng.) Honours degree from University of Peradeniya specialising in the field of Electrical and Electronics Engineering. He is a Fellow member of Institution of Engineers Sri Lanka (IESL) and holds Master of Business Administration degree from Anglia Ruskin University of UK.

Executive Management



Mr Sudharshana Geeganage

Chief Operating Officer – Mobitel

Mr Sudharshana Geeganage is the Chief Operating Officer of Mobitel (Pvt) Ltd since May 2023.

Sudharshana counts over 28 years of corporate experience and possesses a unique blend of expertise spanning across Strategy, Finance, Planning, Management Consultancy, Investment and Development Banking and Economics.

He commenced his career in telecommunications at Mobitel in 2003 and held multiple senior management positions in the Company. Prior to assuming the role of COO - Mobitel, he performed duties as Chief Financial Officer of the Company holding key responsibilities in Finance and Corporate Strategy functions. He played a pivotal role in the development of Mobitel's growth strategy that paved the way for Mobitel to become one of the most formidable telecommunications companies in Sri Lanka. He was involved in driving pioneering initiatives that made communication available and affordable to all of Sri Lanka.

Before joining Mobitel, Sudharshana enjoyed an initial career stint in management consultancy at Ernst & Young and investment and development banking at Vanik Incorporation Ltd and NDB Bank.

Sudharshana is a Stanford LEAD Distinguished Scholar and holds a Bachelor of Engineering degree from University of Moratuwa and a Master of Economics from University of Colombo. He is a Fellow of Chartered Institute of Management Accountants' UK and is a Chartered Financial Analyst.

Currently, he serves as a member of GSMA APAC policy group and he has served as a non-independent director to the Board of eChannelling PLC, a subsidiary company of Mobitel (Pvt) Ltd.



Mr Prabath Dahanayake

Chief Marketing Officer

With a career spanning over 30 years at Sri Lanka Telecom, Mr Prabath Dahanayake's multidisciplinary exposure in the fields of engineering, project management, business, and marketing position him as an invaluable resource in this dynamic time in the Organisation's journey.

During his tenure at SLT, he has held an illustrious variety of Senior Management positions at the telecom giant, including but not limited to over a decade's worth of marketing experience, as well as Head of Province and General Manager – Product Development and Management.

He has been instrumental in driving the Company's broadband-led new services development, as well as the crucial repositioning of SLT's flagship products and services. His role as Group's Chief Marketing Officer stations him on an ideal platform to revolutionise Sri Lanka Telecom's strategy and marketing vision. Mr Dahanayake pioneered the establishment of a special innovation laboratory dedicated to the research and development of the Internet of Things (IoT) at the University of Moratuwa. He has also made a remarkable contribution to the development of the country's eSports sector by providing the necessary technical solutions needed to engage in eSports at a professional level.

Currently he leads the entire spectrum of mobile and fixed wireless sales, overseeing strategic direction and operational execution, as well as driving the retail, SME, Enterprise and international fixed and mobile product development and management.

A Chartered Engineer with a BSc degree in Engineering in Electronics and Telecommunications from the University of Moratuwa.



Mr Sanjeeva Samaranayake

Chief Financial Officer

Mr Sanjeeva Samaranayake is the Chief Financial Officer of Sri Lanka Telecom PLC and counts over 25 years of management experience, holding senior positions in reputed manufacturing, trading, and service organisations in Sri Lanka and overseas. He is a Fellow Member of the Chartered Institute of Management Accountants (UK) and of the Institute of Certified Management Accountants of Sri Lanka. He holds an MBA from the Postgraduate Institute of Management (PIM), University of Sri Jayewardenepura and a Bachelor of Commerce degree from the University of Colombo. He followed an Advanced Management Programme (AMP) conducted by the Kellogg Business School in USA and a Mergers and Acquisitions Course conducted by the Chicago Booth, University of Chicago, USA.

He joined Sri Lanka Telecom PLC as the Group Chief Financial Officer in September 2018. Prior to joining SLT, he served as the Group Chief Financial Officer of a blue-chip company in Sri Lanka.

He held many senior positions of the Ceylon Chamber of Commerce, Import Section for several years. He was awarded the prestigious "Platinum Honours Award" by the Postgraduate Institute of Management Alumni in 2010 and the "Diamond Service Award" for the "Most Outstanding Business Leader of the Year" jointly by the Ceylon Chamber of Commerce and the Postgraduate Institute of Management Alumni in 2016.

Executive Management



Mr R M Sisira Piyaratne

Chief Officer – Network Strategy and Projects

Mr Piyaratne holds a master's degree in Business Administration (MBA) from the University of Peradeniya and a BSc Honors degree in Electrical and Electronics Engineering from the University of Peradeniya Sri Lanka. He is a Chartered Engineer, a member of the Institution of Engineers Sri Lanka.

He joined SLT as an Engineer in 1994 following various roles in recognized organisations as Assistant Lecturer in Open University Sri Lanka and as an Engineer in Ansell Lanka (Pvt) Ltd. And Sri Lanka Telecom Services Ltd.

In his present role he leads the Network strategy functions of SLT in the areas of IP & Core Network, Fixed Access and Transport Network. Further he leads Projects execution and network implementations in the areas of IP and Transport Network, Core control, Access network and Optical transport networks including Fiber to the Home (FTTH) projects.

In his career at SLT spanning for 31 years. He has served in the capacity of Engineer Transmission, Regional Telecommunication Manager, Provincial Deputy General Manager, Regional General Manager, Deputy Chief Innovation and Culture Officer and Deputy Chief Supply Chain Management Officer, Chief Administrative Officer, Chief Facility Management officer.

He has extensive experience in the areas of Operation and Maintenance of Transmission networks. Consumer and SME Sales Operation and Regional Sales Management. Regional Network Operations, Implementing Quality Management practices including ISO 9001:2015. Tender Commercial Evaluations and Supply Chain Management, administration and project Management.



Mr Asiri Galagoda

Chief Officer – Digital Transformation

Mr Asiri Galagoda joined SLT in 1992 as an Engineer and holds a BSc (Eng.) Hons degree in Electrical and Electronic Engineering from the University of Peradeniya, Sri Lanka. He is a Chartered Engineer and Corporate member of the Institution of Engineers, Sri Lanka. Before joining SLT, he has worked in the university academia, for a short stint. In his career, he has gained exposure in the fields of Data Communications, Next Generation Networks, Outside Plant operations and has exposure and experience working in telecom operator overseas.

He has pioneered in Telecommunication Network transformations with the industry and technology evolvments from eras of legacy networks to Next Generation Network to Programmable Networks. Further he has exposure and experience in Submarine Cable network planning and design being a Cable Consortium committee member for SEA-ME-WE 5 and SEA ME-WE 6 cable systems.

During his career, he has gained industry related knowledge and trainings from National and International Academies in number of countries. In the present role, he oversees the Digital Transformation Program of the Company while overseeing the duties of Deputy Chief Information Officer.

In his professional carrier at SLT, he has hold the senior positions of Deputy General Manager, General Manager, Deputy Chief Officer and presently the Chief Officer Digital Transformation.



Mr Lakmal Jayasinghe

Chief Business Officer – Enterprise Business

Mr Lakmal Jayasinghe joined SLT in 2001 following various roles in recognised organisations. In his present role, he leads the Enterprise and Wholesale Business of the Group that provides integrated fixed and mobile voice and data solutions to SMEs, Large Enterprises, Government Institutions, Domestic Telco Operators, Global Wholesale Carriers and Global Enterprises. In addition to his current role at SLT he holds the position of CEO at Xyntac Singapore Pte Ltd, a fully owned subsidiary of SLT incorporated to handle Global Business.

In his career at SLT spanning 24 years, he has held a number of senior positions, including Chief Enterprise and Wholesale Officer, General Manager Government Business, General Manager Sales Metro and Region 2, Deputy General Manager Enterprise Sales Large Business, Deputy General Manager Training and Development. He has extensive experience in the areas of Enterprise and Government Sales, Enterprise Communications Solutions, Business Development, Training and Development, Consumer and SME Sales Operation and Regional Sales Management.

He holds a Master's degree in Business Administration (MBA) from the University of Colombo and a BSc Honors degree in Electronics and Telecommunications Engineering from the University of Moratuwa, Sri Lanka. He is a Chartered Engineer, a member of the Institution of Engineers Sri Lanka.

Executive Management



Mr Imantha Wijekoon

Chief Business Officer – Consumer Business

Mr Imantha Wijekoon is a Chartered Engineer with a Bachelor's Degree in Electronics and Telecommunications Engineering from the University of Moratuwa. He also holds an MBA from the Postgraduate Institute of Management, University of Sri Jayewardenepura.

With a distinguished career spanning 30 years at Sri Lanka Telecom (SLT), Mr Wijekoon has gained extensive expertise in regional operations, project management, and consumer & SME sales operations. He has undergone specialised training in telecommunications operations and business management across multiple international institutions, including: Swedish International Development Cooperation Agency (Sida), Sweden, LG Cables and Machinery Ltd., South Korea, Korea Telecom, South Korea, AOTS, Japan

Additionally, he has participated in numerous global and local conferences and workshops, covering key industry topics such as Next-Generation Networks, Fixed-Mobile Convergence, CRM Change Management, Telecommunications Business Simulation, Value-Driven Marketing, Total Telecom Congress, and the Mobile World Congress.

With over 12 years of experience in the consumer sales segment, Mr Wijekoon has played a pivotal role in leading strategic sales growth, customer engagement, and business transformation initiatives at SLT. Throughout his tenure, he has held several senior leadership positions, including: Head of Province, Deputy Head of Regions, General Manager-Customer Service, Regional General Manager, Chief Sales Officer.

From November 2019 to January 2024, he also served as a Non-Executive Director of Sri Lanka Telecom Services Ltd., contributing to the strategic direction of the Organisation.



Mr Namal Ratnayake

Chief Legal Officer – SLT Group

Mr Namal Ratnayake joined Mobitel as the Senior Manager Legal in 2005. He was appointed to the post of General Manager Legal, Regulatory Affairs, Network Interconnect and Integration in 2008. Subsequently he was promoted to the post of Senior General Manager for the same scope. In October 2023, he was promoted to the rank of Deputy Chief Legal Officer of SLT Group and subsequently in April 2024 he was promoted to the post of Chief Legal Officer of SLT PLC Group. He is responsible for legal and regulatory matters of the SLT PLC Group and interacts with the Telecommunications Regulatory Commission of Sri Lanka in respect of all telecom regulatory matters including spectrum, license, tariff, network. He is also responsible for handling the financial regulatory aspects related to mobile money product namely mCash of Mobitel (Private) Limited and liaises with the Central Bank of Sri Lanka as the Compliance Officer for mobile money at Mobitel.

Prior to joining Mobitel, Mr Ratnayake has served as a State Counsel at the Attorney General's Department of the Government of Sri Lanka from 1998 to 2005. He has handled areas of banking, contracts, insurance, intellectual property and property inter-alia. Mr Ratnayake started his career in 1996 at Hayleys Group, one of the Sri Lankan blue chip companies, as an executive serving Hayleys Electronics (Private) Limited for a period of two years.

Mr Ratnayake is a Bachelor of Laws (LL.B.) from the Faculty of Law, University of Colombo and an Attorney-at-Law of the Supreme Court of Sri Lanka.



Mr Saman Abeysekara

Chief Administrative Officer

Mr Saman Abeysekara, a Chartered Electrical and Electronics Engineer with a degree from the University of Peradeniya, is a Fellow of the Institution of Engineers Sri Lanka. He brings 30 years of comprehensive experience in the telecommunications industry, gained through significant roles at Sri Lanka Telecom and other recognised organisations. Prior to his tenure at SLT, he held senior management positions in several Sri Lankan companies.

Joining SLT in 1998 as an Engineer, Mr Abeysekara advanced through a series of key leadership positions, including: Project Manager for the Rural Telecommunication Development Project, Regional Telecommunication Manager, Provincial Deputy General Manager, Regional General Manager, Deputy Chief Regional Operating Officer, Chief Asset, Property and Security Management Officer, and ultimately, Chief Administrative Officer.

His extensive experience spans a wide range of areas, including project management, regional operation and maintenance, customer service, consumer and SME sales operations, property development, facility management, and security management. He has also undergone specialised telecommunications operations and business training in various international settings.

Executive Management



Mr Jeewapadma Sandagomi

Chief Officer – Supply Chain Management

Mr Jeewapadma Sandagomi is the Chief Officer Supply Chain Management (COSCM) at SLT-Mobitel and counts over 25 years of professional experience in both public and private Enterprises. During over two decades long tenure at Mobitel, he has been leading different roles and responsibilities at Mobitel, including IT strategy, Information Security, Project Management, Revenue Assurance and Enterprise Risk Management and Procurement.

Mr Sandagomi is a Chartered Engineer of the Institution of Engineers Sri Lanka, and holds a MBA in Management of Technology, and BSc Engineering degree from University of Moratuwa, Sri Lanka. Further, he holds, CISA (Certified Information Systems Auditor), CISSP (Certified Information Systems Security Professional), PMP (Project Management Professional) and CMA-Aus (Certified Management Accountant – Australia) credentials as well. The Computer Society of Sri Lanka (CSSL) recognised Sandagomi with the prestigious "CISO of the year" award at the National ICT awards ceremony held in year 2021.

During his tenure, he was instrumental in setting up new policy frameworks, Process digitalisation and leading multiple key IT Transformation projects successfully. Further, Mr Sandagomi has pioneered to commence multiple process transformations and cost optimisation initiatives for the Supply Chain Management Group of SLT-Mobitel.



Mr Karuppiiah Jegatheshwaran

Chief Officer – Forensics and Compliance
Chief Internal Auditor (Covering up)

Mr Karuppiiah Jegatheshwaran is the Chief Officer of the Forensic and Compliance Group at SLT. In addition to this, he has been entrusted with the additional responsibility of covering the Chief Internal Auditor position. With more than 22 years of experience in internal audit, forensic investigation, fraud prevention, internal controls, financial management, and governance, he brings a wealth of expertise to his role.

Over the course of his career, Mr Karuppiiah has built a diverse and successful portfolio across multiple countries. He has played a pivotal role in some of the largest fraud investigations in both Sri Lanka and India. As a pioneer, he has contributed significantly to developing and establishing forensic divisions at leading organisations, thereby fostering an ethical culture based on integrity.

Mr Karuppiiah holds an MBA in Finance from Anglia Ruskin University, UK. He is a Certified Fraud Examiner (CFE) and a Certified Member of the Institute of Certified Forensic Investigation Professionals. His unwavering commitment to professional development and industry excellence is reflected in his role as one of the founding members of the Sri Lanka Chapter of the Association of Certified Fraud Examiners (ACFE). Additionally, he serves as a Board member of the Sri Lanka Chapter of ACFE.

Mr Karuppiiah joined the SLT Group in October 2023. Prior to his current role, he held several senior positions and leadership roles across various organisations, gaining valuable experience in multiple sectors. His broad expertise positions him as a seasoned professional in his field.



Mr Mahinda Samarasinha

Chief Network Officer

Mr Mahinda Samarasinha is the Chief Network Officer of SLT-Mobitel Group and counts over 32 years of experience in numerous areas in the field of telecommunication. Immediately after graduation, he joined SLT in 1992 as a Network Planning Engineer and gained experience in the areas of transmission and switching planning. Subsequently, he held several senior positions in Tariff, Interconnection, Domestic Wholesale Business, Global Business and Product Management before being appointed as Chief Network Officer.

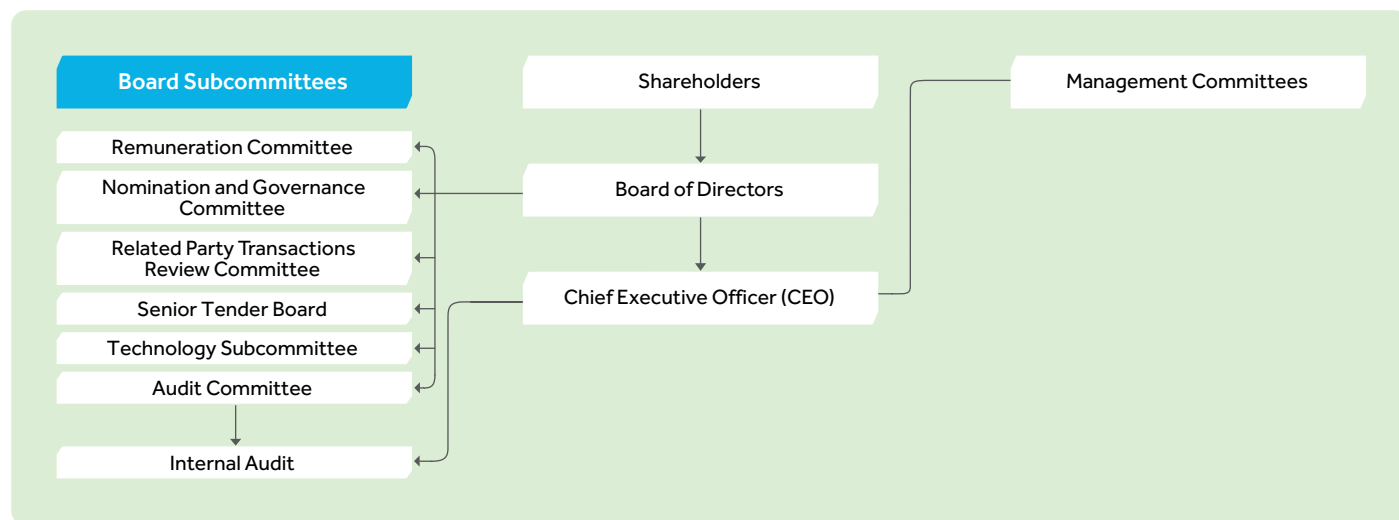
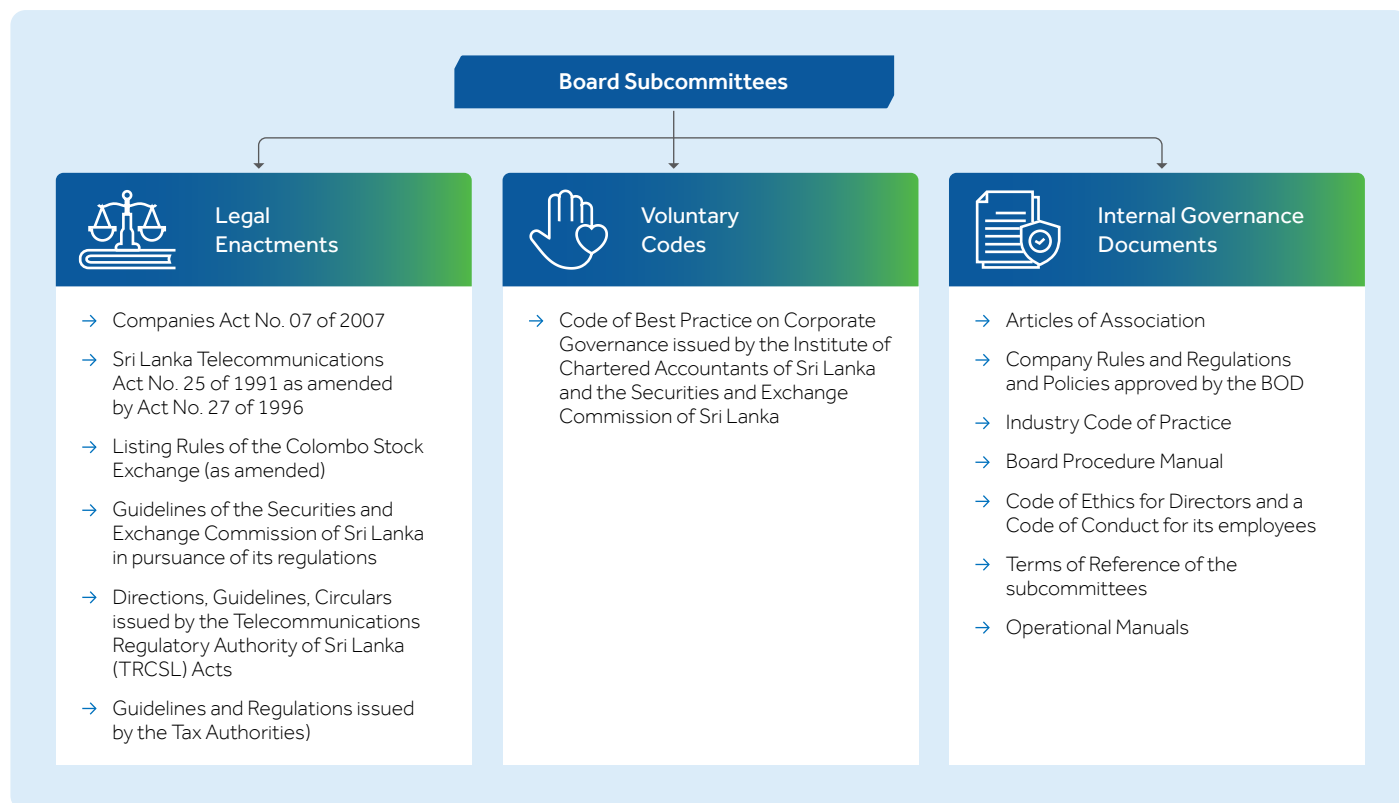
Mr Samarasinha, pioneered and was instrumental in shaping the wholesale business in Sri Lanka Telecom. He broke new ground by introducing a separate Global Brand "Xyntac" in line with the Go-Global Strategy of SLT. Under his leadership, SLT was able to establish its MPLS network presence in Singapore, France, and the USA.

He was a core member who was involved in converting Mobitel network from its legacy Analog system to Digital GSM system in 2003-2004.

He holds a Bachelor of Science (Engineering) Honours degree in Electronics and Telecommunication from the University of Moratuwa, Sri Lanka, and is a Chartered Engineer at the Institution of Engineers Sri Lanka.

Corporate Governance

The Board of Directors of SLT remains deeply committed to the Company's ongoing transformation efforts. Guided by robust corporate governance, the Board provides strategic and independent oversight, enabling SLT to execute its strategy effectively and responsibly while upholding transparency and adhering to the highest ethical standards. The Company remains dedicated to enhancing long-term value creation for all stakeholders, with unwavering commitment to integrity, social responsibilities, environmental stewardship, and regulatory compliance.



Corporate Governance

🕒 Board of Directors

The Board of Directors of SLT comprises a well-balanced group of professionals with extensive expertise and deep knowledge of the industry and broader business environment. This collective proficiency enables SLT to effectively fulfil its role as the National Information and Communication Technology (ICT) solutions provider. Regular Board meetings are held to ensure that the Board's responsibilities are effectively carried out, as detailed on page 108.

🕒 Selection and Composition of the Board

In accordance with SLT's Articles of Association (AoA), the Board of Directors has the authority to fill vacancies and appoint additional Directors, subject to their re-election at the following Annual General Meeting (AGM). The Board's composition is carefully structured to maintain a balanced range of skills, with emphasis on financial expertise, as outlined in the Directors' profiles on pages 94 to 99. Notably, 3 Directors hold professional qualifications from recognised finance or accounting bodies, along with relevant industry experience.

The appointment process aims to establish a diverse and well-qualified Board, considering factors such as expertise, business insight, financial proficiency, sound judgement, leadership capabilities, achievements, and industry knowledge. Recommendations for new Directors are made by the Secretary to the Treasury, and Global Telecommunications Holdings N.V., as the principal shareholders. The N&GC subsequently evaluates and recommends to the Board, the appointment of Directors in accordance with the Articles of Association, and the policies established for appointment of Directors.

The Board approved policy governing Directors appointment and matters relating to Directors is a guideline to the Board when appointments to the Board are considered. The Board N&GC is vested with the responsibility of identifying new Directors and/or considering the suitability of Directors nominated by the principal shareholders.

According to the policy, no Directors hold Directorship in more than 5 listed companies excluding the subsidiaries of the Company during the year.

To ensure effective governance and strategic oversight, SLT has implemented robust processes to support the Board's activities:

- Directors receive accurate, relevant, timely, clear, and impartial information aligned with the Company's objectives.
- Independent and objective judgement is expected from Directors on all matters brought before the Board.
- The Company Secretary acts as the central point for information exchange between the Board of Directors, Board Sub-Committees, and key executives.
- Proposals from the CEO, Chief Officers, and Division Heads are presented to the Board, with clarifications provided upon request.
- Board papers are made available electronically, supporting SLT's sustainability initiatives and enabling remote participation by Directors.

- Board documents are distributed at least one week prior to meetings, ensuring ample time for review and discussion.
- An Annual Boards sub committee meeting calendar, is prepared in consultation with all Directors before the start of each year.

The Board comprises nine (9) Non-Executive Directors, providing a diverse and comprehensive range of expertise that supports sound governance and informed decision-making. This structure is compliant with Section 9.8 of the Listing Rules and the provisions of SLT's Articles of Association, reflecting the Company's commitment to effective governance and strategic leadership.

Upon their appointment, Directors are provided with a detailed induction pack designed to offer a thorough understanding of the Company's operations, industry context, strategic priorities, and stakeholder relationships. Additionally, Management offers briefings on strategic and business plans to ensure alignment and consistency in governance and oversight.

🕒 Role of the Board

- Providing leadership and direction to the Company.
- Ensuring proper governance, ethics and regulatory compliance, while seeking professional guidance where necessary.
- Ensuring SLT is managed in a professional and appropriate manner towards achieving its strategic objectives.
- Selecting, monitoring, evaluating, and compensating members of the Senior Management.
- Formulating and implementing a proper succession planning process.
- Reviewing and approving significant corporate actions based on their viability.
- Assessing and monitoring the implementation of strategic plans by the Management.
- Reviewing and approving the Company's annual business plan, budgets, and operating plan.
- Measuring and monitoring corporate performance, evaluating results, and comparing them with the strategic plans and other long-term goals.
- Assessing the Company's financial controls and reporting systems.
- Reviewing and approving the Company's Financial Statements and financial reporting.
- Reviewing the Company's legal compliance programmes and procedures.
- Overseeing the Company's management of enterprise risk.

Corporate Governance

Board Balance

05 Independent Non-Executive Directors

04 Non-Independent Non-Executive Directors

The Directors and the CEO of the Company satisfies the fit and proper assessment criteria as set out in Rule 9.7.3 of the Listing Rules.

Board Subcommittees

SLT's governance framework is strengthened by the establishment of Board subcommittees, which not only fulfil regulatory requirements but also enhance oversight of business operations and support the Board of Directors in effective decision-making. Each subcommittee operates under well-defined objectives and formal Terms of Reference, with members appointed based on their expertise in relevant areas.

Regular meetings are convened to address matters within their respective scopes, with findings and recommendations consistently reported to the Board. The subcommittees maintain engagement with Senior Management, with their Chairmen and Members meeting Corporate Executive Team members as needed. These interactions facilitate collaborative discussions and the development of proposals related to the Company's strategic direction and critical operational matters.

Outlined below are the key subcommittees, along with their roles, members, and attendance records during the year under review.

Audit Committee (AC)

The Audit Committee (AC) assists the Board in overseeing and monitoring financial reporting, risk management, revenue assurance functions, internal controls, and compliance processes. Comprehensive details regarding the Committee's policies, practices, and areas of focus are provided in the AC Report on pages 120 to 122 of this Annual Report.

The Committee convenes at least four times annually, with additional meetings scheduled at the discretion of the Committee Chairman. Information on meetings held during the year and attendance records can be found on page 109.

The following individuals served as members throughout 2024.

Mr V U Kumar – Chairman

Mr Suren Amarasekera

Mr Chandrasiri Kalupahana

Mr Chathura Mohottigedara

Mr Chathura Mohottigedara ceased to become a member of the Committee effective 18 December 2024 upon his resignation from the Board. Mr Dilip Silva was appointed as the member/chairman of the committee w.e.f. 21 March 2025.

At the Board meeting held on 9 May 2025, Mr Kalupahana was appointed as the Chairman of the AC w.e.f. 9 May 2025 and Mr V U Kumar ceased to become a member due to resigning from the Board on 11 May 2025. Accordingly, the current composition of the AC is as follows;

Mr Chandrasiri Kalupahana – Chairman

Mr Suren Amarasekera

Mr Dilip Silva

The CEO, CFO, Chief Officer Forensics and Compliance (COFC) and other senior officers attend the meetings by invitation. The COFC reports directly to the AC.

Remuneration Committee (RC)

In adherence to the revised corporate governance rules introduced by the CSE, the Remuneration and Nominations Committee (R&NC) was restructured into two distinct committees: the Remuneration Committee (RC) and the Nomination and Governance Committee (N&GC), each addressing specific objectives and responsibilities.

The RC provides guidance and oversight on the Company's policies concerning remuneration for Non-Executive Directors, the CEO, subsidiary COOs, and Senior Management. It also supports the Board in determining other payments for SLT and its subsidiaries, including bonuses, incentives, and related compensation matters.

The Committee meets at least four times annually, with additional meetings convened at the discretion of the Committee Chairman. Details of meetings held during the year, along with attendance records, are provided on page 109.

Functioning as the Group RC for SLT and its subsidiaries, the Committee comprises Non-Executive Directors, out of which two members are Independent Directors.

The following individuals served as members of the Committee during 2024.

Mr Niel Unamboowe, PC – Chairman

Mr Chan Chee Beng

Mr Lawrence Paratz

(ceased to be a member w.e.f. 14 May 2025)

Mr T M Thilakarathne

The CEO and CPO attend meetings by invitation, as and when required by the Committee.

Nomination and Governance Committee (N&GC)

The Nomination and Governance Committee (N&GC) was established in 2023 in accordance with the revised CSE Listing Rules.

Comprised Non-Executive Directors, the N&GC maintains two Independent Directors

The individuals serving on the Committee during 2024 were:

Mr Niel Unamboowe, PC – Chairman

Mr V U Kumar (resigned w.e.f. 11 May 2025)

Mr Chan Chee Beng

Dr Mothilal De Silva

The N&GC is responsible for a range of activities, including the nomination, selection, and recommendation of Non-Executive Directors, the Chief Executive Officer (CEO), and key senior executives. Additionally, it oversees succession planning for the CEO and Senior Management while assessing the Board's composition, with a particular emphasis on diversity in background, skills, and experience.

Corporate Governance

Assessing Directors' independence is a critical component of the nomination process. As part of this evaluation, the Committee reviews Directors' professional engagements, potential conflicts of interest, related party transactions, and other commitments that may compromise their independence.

The Committee also conducts an annual review of Directors' eligibility for election and re-election, providing recommendations to the Board for further consideration and subsequent approval by shareholders.

The NGC's roles and responsibilities are outlined in its Terms of Reference (TOR), with a summary provided in the NGC Committee Report.

🔗 Related Party Transactions Review Committee (RPTRC)

The Related Party Transactions Review Committee (RPTRC) is established to protect shareholders' interests during related party transactions, enhance corporate transparency, and ensure equitable dealings between SLT, its subsidiaries, and other related parties.

Disclosures regarding related party relationships with subsidiaries are included in the Notes to the Financial Statements. Based on these assessments, no material transactions occurred, and no relevant commitments or conflicts of interest were identified in 2024. The Board considers these transactions to be exempt under certain exceptions outlined in the Listing Rules.

The Committee meets at least four times annually. Details of meetings held during the year, along with attendance records, are provided on page 109.

In 2024, the RPTRC primarily comprised Non-Executive Directors, with two Independent Directors. The Committee's Chairman is an Independent Director.

The members of the Committee during the year were:

Mr Suren Amarasekera – Chairman
Mr V U Kumar
(ceased to be a member w.e.f. 11 May 2025)
Mr Dilip Silva
Mr Chandrasiri Kalupahana

🔗 Technology Subcommittee (TSC)

The Technology Strategy Committee (TSC) comprises a team of experts with relevant expertise, established to continuously assess business opportunities through technological advancements and ensure that existing platforms align with the Company's business objectives and strategies.

The TSC focuses primarily on the following areas:

- Developing effective strategies to enhance operational efficiencies.
- Keeping pace with technological advancements within the telecommunications sector by training technical staff and implementing more efficient delivery systems.
- Evaluating existing processes against SLT's objectives and vision, introducing innovations to enhance efficiency.
- Reviewing performance evaluation systems, technology frameworks, human resource initiatives, and skill development plans to ensure their successful implementation.

The Committee convenes as needed. Details of meetings held during the year and attendance records are provided on page 109.

The members of the Committee during 2024 were:

Mr Suren Amarasekera – Chairman
Dr Mothilal De Silva
Mr T M Thilakaratne

The CEO and Senior Management of SLT and Mobitel participate as ongoing members in TSC meetings to identify and enhance organisational synergies. When necessary, the CEOs of subsidiary companies are also invited to attend the meetings.

🔗 Senior Tender Board (STB)

The STB, a structured function approved by the Board, ensures proper controls and governance over the Company's procurement activities. Specifically, the STB is tasked with reviewing and approving procurements ranging from LKR 100 Mn.

to LKR 350 Mn., while the Board of Directors oversees procurements exceeding LKR 350 Mn., and the Junior Tender Board manages amounts below LKR 100 Mn.

The STB convenes before each Board meeting. Details of meetings held during the year, along with attendance records, are available on page 109.

The STB is composed of Non-Executive Directors.

The members of the Committee in 2024 were:

Mr Lawrence Paratz – Chairman
(ceased to be a member w.e.f. 14 May 2025)
Mr V U Kumar
(ceased to be a member w.e.f. 11 May 2025)
Mr Niel Unamboowe, PC
Dr Mothilal de Silva

The Board appoints the CEO and CFO to the Committee to assess the Company's procurement requirements.

🔗 Board Meeting Frequency and Director Participation

In the year 2024, the Board convened seven regular meetings, with active participation from Directors. Additionally, seven special meetings were held to address urgent and significant matters.

The quorum for Board meetings is established as half of the maximum number of Directors as specified in SLT's Articles of Association (AoA). This quorum requirement was consistently maintained at all meetings, ensuring the validity of the meetings from commencement to conclusion.

Directors actively engaged in the proceedings, contributing valuable insights and perspectives. Resolutions by circulation were restricted to matters of a routine nature or urgent business, with prior approval from the Chairman. Any circular resolutions passed were subsequently confirmed and ratified at the following regular Board meeting.

The agenda, along with relevant supporting papers and reports, was circulated electronically to Directors via the "BoardPAC" application, enabling access from their respective devices.

Corporate Governance

Board member	Status	Board	Audit Committee	Remuneration Committee	Nomination and Governance Committee	Technology Subcommittee	Senior Tender Board	Related party Transactions Review Committee
Mr A K D D D Arandara (w.e.f 1 February 2024 to 16 October 2024)	NED	7/7	–	5/5	4/4	–	–	–
Dr T H V Mothilal Amaradasa de Silva (Appointment w.e.f 04 November 2024)	INED	2/2	–	1/1	1/1	1/1	–	–
Mr Chan Chee Beng	NED	7/10	–	5/6	4/5	–	–	–
Mr Lawrence Michael Paratz	NED	10/10	–	6/6	–	–	7/7	–
Mr V U Kumar	NED	9/10	7/8	–	5/5	–	5/7	4/4
Mr Suren Amarasekera	INED	10/10	8/8	–	–	8/8	–	4/4
Prof K M Liyanage (w.e.f 1 February 2024 to 18 October 2024)	INED	6/6	–	–	–	7/7	1/1	–
Dr K A S Keeragala (w.e.f 1 February 2024 to 11 November 2024)	INED	6/6	–	2/2	–	–	5/6	–
Dr D M I S Dasanayake (w.e.f 1 February 2024 to 21 October 2024)	INED	6/6	–	–	–	7/7	–	–
Mr Dinesh Vidanapathirana (w.e.f 1 February 2024 to 18 October 2024)	INED	6/6	7/7	–	2/2	–	–	2/2
Mr M M C P Mohottigedara (w.e.f 1 February 2024 to 18 December 2024)	NED	8/8	7/7	–	–	–	7/7	4/4
Mr Niel D B Unamboowe (Appointment w.e.f 4 November 2024)	INED	2/2	–	1/1	1/1	–	–	–
Mr Chandrasiri Kalupahana (Appointment w.e.f 4 November 2024)	INED	2/2	–	–	–	–	–	–
Mr T M Thilakarathne (Appointment w.e.f 4 November 2024)	INED	2/2	–	–	–	1/1	–	–
Mr Reyaz Mihular (Resigned w.e.f 29 January 2024)	INED	1/1	–	–	–	–	–	–
Mr Lalith Seneviratne (Resigned w.e.f 29 January 2024)	ED	1/1	–	–	–	–	–	–
Mr Mohan Weerakoon (Resigned w.e.f 30 January 2024)	INED	1/1	–	–	–	–	–	–
Mr Ranjith Rubasinghe (Resigned w.e.f 29 January 2024)	INED	1/1	–	–	–	–	–	–
Mr Vimelenthirarajah (Resigned w.e.f 30 January 2024)	NED	1/1	–	–	–	–	–	–
Mr Rohan Fernando (Resigned w.e.f 30 January 2024)	INED	1/1	–	–	–	–	–	–

INED – Independent Non-Executive Director

NED – Non-Executive Director

Indemnities to Directors and Liability Insurance Coverage

The Company's AoA stipulate that Directors are entitled to indemnity, to the extent permitted by law, for liabilities arising from the execution of their duties in their capacity as Directors of the Company. However, this indemnity does not extend to situations where a Director is found to have acted fraudulently or dishonestly. Throughout the year, the Company has maintained Directors' and Officers' Liability Insurance coverage.

Remuneration of Non-Executive Directors

The Remuneration Committee (RC) assesses and recommends the remuneration for Non-Executive Directors, which is subject to approval by the Board. The compensation for Non-Executive Directors includes fees for attending Board and subcommittee meetings. Detailed information regarding the total Directors' fees for the fiscal year ending 31 December 2024 is provided in Note 7 of the Financial

Statements. Additionally, the Company reimburses all other expenses, including travel and accommodation costs, incurred by overseas Directors for attending Board and subcommittee meetings.

Role of the Chairman and Chief Executive Officer

The responsibilities between strategic and operational matters are clearly defined through the division of duties between the Chairman and the Chief Executive Officer (CEO). As a non-executive role, the Chairman of SLT's Board primarily focuses on strategic issues, ensuring compliance with Board procedures and promoting the active involvement of all Board members during meetings.

The CEO is responsible for the day-to-day management of the business and provides leadership to the executive team. The CEO also oversees the execution of the Company's strategic and operational plans. Regular meetings are held between the Chairman and the CEO to discuss matters related to the Company's performance, operations, human resources, and industrial relations.

CEO Performance Evaluation

The Board conducts an annual assessment of the CEO's performance based on pre-established criteria, which are mutually agreed upon at the start of the year by the Nomination and Governance Committee (NGC) and the Board. The evaluation of the CEO's performance, as well as the determination of compensation, is based on this assessment and is agreed upon by both parties.

The Company Secretary

The Company Secretary reports directly to the Board and is available to individual Directors for guidance on Board procedures. In addition to supporting the Chairman in managing the agenda and planning the annual schedule of Board and Committee meetings, the Company Secretary ensures that Board members receive timely and detailed information. The Company Secretary also provides advice to Directors on Board procedures and corporate governance matters and acts as the Secretary for all Board subcommittees.

Corporate Governance

The Company Secretary, qualified as an Attorney-at-Law and an Associate Member of the Chartered Governance Institute, United Kingdom, is designated as the individual responsible for shareholder communications, working under the direction of the CEO.

The appointment or removal of the Company Secretary is decided by the Board collectively.

🕒 Remuneration of Senior Management

The Company's remuneration framework and policies are designed to evaluate employee performance in alignment with SLT's objectives and strategies. Appropriate corporate and individual performance metrics are set, taking into account both medium- and long-term goals, as well as year-end performance reviews. Competitive compensation packages are offered to attract and retain highly skilled and talented individuals.

As the leader of the Management team, the CEO is compensated as a member of Senior Management. The Remuneration Committee (RC) proposes the CEO's salary package, ensuring it reflects the CEO's qualifications and experience, for Board approval.

🕒 Corporate Ethics

SLT has developed a comprehensive Code of Conduct that applies to both employees and third parties engaged with the Company. This Code outlines principles that uphold the highest standards of personal and corporate integrity in interactions with SLT, competitors, customers, suppliers, and the community. By adhering to the processes and standards set forth in the Code, SLT fosters investor confidence and ensures that decision-making aligns with the Company's best interests.

The Code covers various areas, including equal opportunity employment, workplace safety, business ethics, asset protection, data security, and conflict of interest. It is accessible on SLT's internal website,

providing clear policies and guidelines to support employees in their daily responsibilities.

🕒 Financial Acumen, Internal Control, and Risk Management

The internal control framework at SLT is built through the integration of risk management practices, financial controls, internal audits, and supporting policies. This structure is designed to improve operational efficiency and ensure alignment with the Company's strategic goals. Additionally, it guarantees the provision of accurate, reliable, comprehensive, and timely financial reporting and management information to stakeholders. Rooted in ethical principles, the framework operates according to sound corporate governance and effective risk management practices.

SLT employs systematic risk management strategies to enhance the efficiency and control of its business operations, supporting profitability and long-term continuity.

🕒 Related Party Transactions and Material Contracts

The Board of Directors adheres to the regulations set forth by the CSE regarding related party transactions to avoid potential conflicts of interest. To enhance corporate transparency and ensure fair dealings between SLT and its subsidiaries, a Related Party Transactions Review Committee (RPTRC) has been established under the Board's oversight. SLT's related party relationships with its subsidiaries are disclosed in Note 36 of the Financial Statements. The Board considers these transactions to be exempt under specific exceptions outlined in the CSE's Code of Best Practices for related party transactions, regarding them as routine and customary in the Company's operations.

SLT and its subsidiaries have not entered into any significant contracts involving the interests of the CEO, Directors, controlling shareholders, Secretary to the Treasury, or Global Telecommunication Holdings N.V.

🕒 Major Transactions

In accordance with Section 185 of the Companies Act, the Board of Directors informs shareholders about any proposed corporate transactions, providing comprehensive details on all material aspects relevant to SLT. It is important to note that SLT did not engage in any major transactions during the year 2024.

🕒 Policies

The Company has established the policies as required by Rule 9.2.1 of the Listing Rules and the said policies are available in the Company's website.

There have been no changes made to the policies after adoption during the year.

🕒 Whistle-blowing Policy

The Whistle-blowing process provides a secure and confidential channel for reporting potential financial irregularities, improper financial reporting, fraud, unethical conduct, or any actions that contravene the Company's Code of Conduct and Ethics, Human Rights policies, regulatory requirements, or other internal policies, including those related to Anti-Bribery and Corruption.

Employees are informed about the Whistle-blowing process through official circulars, and comprehensive details regarding the process and its operation are made accessible on the Company's intranet. An independent external party is designated to receive and address complaints submitted by employees through various available channels.

In line with established procedures, whistle-blower complaints concerning ethical violations, breaches of confidentiality, or other potential misconduct are directly reported to the Board's Audit Committee. All investigations related to whistle-blower reports are handled with the highest level of confidentiality to safeguard the identity of the whistle-blower.

In 2024, the Board approved a revised Whistle-blower Policy, which outlines these procedures and ensures the integrity of the reporting and investigation process.

Corporate Governance

⌚ Anti-Bribery and Corruption (ABC) Policy

The Board of Directors has formally approved the Anti-Bribery and Corruption (ABC) Policy, which emphasises the Company's unwavering commitment to a zero-tolerance approach towards bribery and corruption. This policy applies to all Directors, Key Management Personnel (KMPs), and employees of SLT. To ensure adherence to these principles, regular training sessions are conducted for both employees and

Directors. Additionally, business partners and third parties acting on behalf of the Company are informed of this policy and are required to comply with its provisions.

Given that the Government of Sri Lanka, through the Secretary to the Treasury, holds more than 50% of SLT's shares, all Directors and KMPs identified by the Company are also obligated to submit this annual declaration, in accordance with applicable legal requirements.

⌚ Communications with Shareholders and Annual General Meetings

The Annual General Meeting (AGM) serves as a platform for constructive engagement with investors, and all shareholders are encouraged to participate. The Chairpersons of subcommittees attend the AGM to address any questions from shareholders. The Company complies with the requirements outlined in Regulation 9 of the CSE Listing Rules, as amended from time to time, regarding corporate governance.

⌚ Statement of Compliance under the Rules of CSE on Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
9.2.1	<p>Listed entities shall establish and maintain the following policies and disclose the fact of existence of such policies together with the details relating to the implementation of such policies by the entity on its website;</p> <p>(a) Policy on the matters relating to the Board of Directors</p> <p>(b) Policy on Board Committees</p> <p>(c) Policy on Corporate Governance, Nominations and Re-election</p> <p>(d) Policy on Remuneration</p> <p>(e) Policy on Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities</p> <p>(f) Policy on Risk Management and Internal Controls</p> <p>(g) Policy on Relations with Shareholders and Investors</p> <p>(h) Policy on Environmental, Social and Governance Sustainability</p> <p>(i) Policy on Control and Management of Company Assets and Shareholder Investments</p> <p>(j) Policy on Corporate Disclosures</p> <p>(k) Policy on Whistle-blowing</p> <p>(l) Policy on Anti-Bribery and Corruption</p>	Complied with	Policies are in place and available in the Company's website
9.2.2	Any waivers from compliance with the Internal Code of Business Conduct and Ethics or exemptions granted by the listed entity shall be fully disclosed in the Annual Report.	Not applicable	
9.2.3	Listed entities must disclose in their Annual Report:		
	(i) The list of policies that are in place in conformity Rule 9.2.1 above, with reference to its website.	Complied with	
	(ii) Details pertaining to any changes to policies adopted by the Listed Entities in compliance with Rule 9.2 above.	Complied with	
9.2.4	Listed entities shall make available all such policies to shareholders upon a written request being made for any such Policy.	Complied with	The Company Secretary will be assigned to provide policies to shareholders upon a written request being made for any such policy.

Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
9.3.1	<p>Listed entities shall ensure that the following Board committees are established and maintained at a minimum and are functioning effectively. The said Board committees at minimum shall include;</p> <p>(a) Nominations and Governance Committee</p> <p>(b) Remuneration Committee</p> <p>(c) Audit Committee</p> <p>(d) Related Party Transactions Review Committee</p>	<p>Complied with</p> <p>Complied with</p> <p>Complied with</p> <p>Complied with</p>	<p>Please refer page 124 of this Report.</p> <p>Please refer page 123 of this Report.</p> <p>Please refer page 120 of this Report.</p> <p>Please refer page 127 of this Report.</p>
9.3.2	Listed entities shall comply with the composition, responsibilities, and disclosures required in respect of the above Board committees as set out in these Rules.	Complied with	Please refer to Sections 9.11, 9.12, 9.13 and 9.14 below.
9.3.3	The Chairperson of the Board of Directors of the Listed Entity shall not be the Chairperson of the Board Committees referred to in Rule 9.3.1 above.	Complied with	<p>The Chairman of the Company Dr Mothilal de Silva has not chaired any committees currently.</p> <p>Also, former Chairperson namely, Mr A D D D Arandara has not chaired any committee meetings previously.</p>
9.4.1	<p>Listed entities shall maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting of the Entity. The Entity shall provide copies of the same at the request of the Exchange and/or the SEC.</p> <p>(a) The number of shares in respect of which proxy appointments have been validly made;</p> <p>(b) The number of votes in favour of the resolution</p> <p>(c) The number of votes against the resolution; and</p> <p>(d) The number of shares in respect of which the vote was directed to be abstained</p>	Complied with	The Company Secretary of SLT maintains the records of the said information along with the Meeting minutes of the shareholders.
9.4.2	<p>Communication and relations with shareholders and investors:</p> <p>(a) Listed entities shall have a policy on effective communication and relations with shareholders and investors and disclose the existence of the same in the Annual Report and the website of the Listed Entity</p> <p>(b) Listed entities shall disclose the contact person for such communication</p> <p>(c) The policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders, and such process shall be disclosed by the Entity in the Annual Report and the website of the Entity</p>	Complied with	
	(d) Listed entities that intend to conduct any shareholder meetings through virtual or hybrid means shall comply with the Guidelines issued by the Exchange in relation to same and published on the website of the Exchange	Complied with	
9.5.1	<p>Listed entities must establish and maintain a formal policy for their Board of Directors, which includes:</p> <p>(a) Recognise the need for a balance of representation between Executive and Non-Executive Directors and cover at minimum Board composition, the roles and functions of the Chairperson and Chief Executive Officer or equivalent position (hereinafter commonly referred to as the CEO), Board balance and procedures for the appraisal of Board performance and the appraisal of the CEO.</p>	Complied with	

Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
	(b) Where a listed entity decides to combine the role of the Chairperson and CEO. <ul style="list-style-type: none"> (i) Set out the rationale for combining such positions; and, (ii) Require the Board Charter of the Listed Entity to contain terms of reference/functions of the Senior Independent Director (SID) and the powers of the SID, which should be equivalent to that of the Chairperson in the instance of a conflict of interest. (iii) Set out the measures implemented to safeguard the interests of the SID. 	Not Applicable	The positions of the Chairperson's and Chief Executive Officer's are separated.
	(c) Require diversity in Board composition for Board effectiveness in terms of a range of experience, skills, competencies, age, gender, industry requirements and importance of objective selection of directors. (d) Stipulate the maximum number of Directors with the rationale for the same. (e) Specify the frequency of Board meetings, having regard to the requirements under the Listing Rules.	Complied with	
	(f) Provide mechanisms for ensuring that Directors are kept abreast of the Listing Rules and on going compliance and/or non-compliance by the Listed Entity with obligations arising under such Rules. (g) Specify the minimum number of meetings, in numbers and percentage, that a Director must attend, in order to ensure consistent attendance at Board meetings and to avoid being deemed to vacate such position. (h) Provide requirements relating to trading in securities of the Listed Entity and its listed Group companies and disclosure of such requirements. (i) Specify the maximum number of directorships in listed entities that may be held by Directors. (j) Recognise the right to participate at meetings of the Board and Board Committees by audio visual means and for such participation to be taken into account when deciding on the quorum.	Complied with	
9.5.2	Listed entities shall confirm compliance with the requirements of the policy referred to in Rule 9.5.1 above in the Annual Report and provide explanations for any non-compliance with any of the requirements with reasons for such non-compliance and the proposed remedial action.	Complied with	The entity confirms the compliance of Section 9.5.1 in the Annual Report for the year ended 31 December 2024.
9.6.1	The Chairperson of every listed entity shall be a Non-Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed by such entity in terms of Rule 9.6.3 below.	Complied with	The Chairperson of the Entity is a Non-Executive Director. The functions of Chairperson and CEO are clearly separated to ensure balance of power and authority.
9.6.2	A listed entity that is unable to comply with Rule 9.6.1 above shall make a Market Announcement within a period of one (1) month from the date of implementation of these Rules or an immediate Market Announcement from the date of non-compliance (if such date falls subsequent to the implementation of these Rules).	Not applicable	
9.6.3	The requirement for a SID	Not Applicable	

Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
9.7.1	<p>The listed entities shall take necessary steps to ensure that their Directors and the CEO are, at all times, fit and proper persons as required in terms of these Rules:</p> <p>In evaluating fitness and propriety of the persons referred in these Rules, listed entities shall utilise the "Fit and Proper Assessment Criteria".</p>	Complied with	<p>The functions of Chairperson and CEO are clearly separated.</p> <p>The Company conducts a Fit and Proper Assessment for all Directors, as stipulated in Section 9.7.3.</p>
9.7.2	Listed entities shall ensure that persons recommended by the Nominations and Governance Committee as Directors are fit and proper as required in terms of these Rules before such nominations are placed before the shareholders' Meeting or appointments are made.		Nomination and Governance Committee will conduct the Fit and Proper Assessment of the persons prior to recommending them for appointment by the Board.
9.7.3	Fit and Proper Assessment Criteria	Complied with	The Company will take steps to establish Fit and Proper Assessment Criteria with effect from 1 April 2024.
9.7.4	Listed entities shall obtain declarations from their Directors and CEO on an annual basis confirming that each of them has continuously satisfied the Fit and Proper Assessment Criteria set out in these Rules during the financial year concerned and satisfies the said criteria as at the date of such confirmation.	Complied with	All the Directors of the Company and CEO have submitted a declaration confirming that they have continuously satisfied with the FIT and Proper Assessment Criteria.
9.7.5	<p>Disclosures in the Annual Report of listed entities in their Annual Report, listed entities must include the following:</p> <p>(a) A statement that the Directors and CEO of the Listed Entity satisfy the Fit and Proper Assessment Criteria stipulated in the Listing Rules of the Colombo Stock Exchange.</p> <p>(b) Any non-compliance/s by a director and/or the CEO of the Listed Entity with the Fit and Proper Assessment Criteria set out in these Rules during the financial year and the remedial action taken by the Listed Entity to rectify such non-compliance/s.</p>	Complied with	Relevant disclosures will be made in the Annual Report of the Company.
9.8.1	The Board of Directors of a listed entity shall, at a minimum, consist of five (5) Directors.	Complied with	The total number of Directors was ten (10) as at 31 December 2024.
9.8.2	<p>Minimum number of Independent Directors:</p> <p>(a) The Board of Directors of listed entities shall include at least two (2) Independent Directors or such number equivalent to one third (1/3) of the total number of Directors of the listed entity at any given time, whichever is higher.</p> <p>(b) Any change occurring to this ratio shall be rectified within ninety (90) days from the date of the change.</p>	Complied with	The total number of Independent Directors was seven (7) as at 31 December 2024.
9.8.3	Criteria for determining independence	Complied with	The entity ensured that all the Independent Directors criteria are satisfied by the Independent Directors.

Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
9.8.4	For the purposes of Rule 9.8.3; - Definitions		
9.8.5	The Board of Directors of listed entities shall require:	Complied with	All the Independent Directors submitted the signed declaration of their Independence to the Board.
	(a) Require each Independent Director to annually submit a signed and dated declaration of their "independence" or "non-independence" using the specified criteria and format in Appendix 9A.		Required disclosures are mentioned in the Annual Report.
	(b) Annually assess the "independence" or "non-independence" of each Independent Director based on their declaration and other available information, listing the names of "independent" Directors in the Annual Report.	Complied with	Please refer page 107 of this Report.
	(c) If the Board finds that the independence of an Independent Director is compromised according to the criteria in Rule 9.8.3, it should immediately issue a Market Announcement regarding this determination.	Not applicable	The Entity will take necessary actions to issue a Market Announcement, if the Board finds that the independence of an Independent Director is compromised.
9.9	If a listed entity provides for the appointment of Alternate Directors, it shall be required to comply with the following requirements and such requirements shall also be incorporated into the Articles of Association of the Entity:	Not applicable	Currently there are no Alternate Directors appointed.
	(a) Alternate Directors shall only be appointed in exceptional circumstances and for a maximum period of one (1) year from the date of appointment.		
	(b) If an Alternate Director is appointed for a Non-Executive Director such an alternate should not be an executive of the Listed Entity.		
	(c) If an Alternate Director is appointed by an Independent Director, the person so appointed should meet the criteria of independence specified in these Rules and the Listed Entity shall satisfy the requirements relating to the minimum number of Independent Directors specified in these Rules. The Nominations and Governance Committee shall review and determine that the person nominated as the alternate would qualify as an Independent Director before such an appointment is made.		
	(d) The Listed Entity shall make an immediate Market Announcement regarding the appointment of an Alternate Director. Such Market Announcement shall include the following:		
	(i) The exceptional circumstances leading to such appointment.		
	(ii) The information on the capacity in which such Alternate Director is appointed, i.e., whether as an Executive, Non-executive or Independent Director;		
	(iii) The time period for which he/she is appointed, which shall not exceed one (1) year from the date of appointment; and,		
	(iv) A statement by the Entity indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Entity.		
	(e) The attendance of any Alternate Director at any meeting, including a Board Committee Meeting shall be counted for the purpose of quorum.		
9.10.1	Listed entities shall disclose its policy on the maximum number of directorships its Board members shall be permitted to hold in the manner specified in Rule 9.5.1. In the event such number is exceeded by a Director(s), the Entity shall provide an explanation for such non-compliance in the manner specified in Rule 9.5.2 above.	Complied with	

Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
9.10.2	Listed Entities shall, upon the appointment of a new Director to its Board, make an immediate Market Announcement setting out the following: (i) A brief resume of such Director; (ii) His/her capacity of directorship; and (iii) Statement by the Entity indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Entity.	Complied with	At the time of appointment of a new Director to the Board, the relevant Market Announcements are made in accordance with Section 9.10.2 also such appointments are reviewed by the Nominations and Governance Committee.
9.10.3	Listed entities shall make an immediate Market Announcement regarding any changes to the composition of the Board Committees referred to in Rule 9.3 above containing, at minimum, the details of changes including the capacity of directorship with the effective date thereof.	Complied with	Relevant disclosures will be made if any changes in the composition of the Board or any changes in the capacity of directorship arise.
9.10.4	Listed entities shall also disclose the following in relation to the Directors in the Annual Report: (a) Name, qualifications, and brief profile; (b) The nature of his/her expertise in relevant functional areas; (c) Whether either the Director or Close Family Members has any material business relationships with other Directors of the Listed Entity; (d) Whether Executive, Non-Executive and/or Independent Director; (e) The total number and names of companies in Sri Lanka in which the Director concerned serves as a Director and/or Key Management Personnel indicating whether such companies are listed or unlisted companies and whether such Director functions in an executive or non-executive capacity, provided that where he/she holds directorships in companies within a Group of which the Listed Entity is a part, their names (if not listed) need not be disclosed; it is sufficient to state that he/she holds other directorships in such companies; (f) Number of Board meetings of the listed entity attended during the year; (g) Names of Board committees in which the Director serves as Chairperson or a member; (h) Details of attendance of Committee meetings of the Audit, Related Party Transactions Review, Nominations and Governance, and Remuneration Committees. Such details shall include the number of meetings held and the number attended by each member.; and, (i) The terms of reference and powers of the SID (where applicable).	Complied with	Please refer pages 94 to 99 of this Report for the profiles of the Board of Directors. Please refer to page 109 for the number of Board meetings attended by the Board of Directors during the year. Please refer to the pages below for the details of attendance of Committee meetings. (i) Pages 120 to 122 of this Report for Audit Committee report. (ii) Page 127 of this Report for Related Party Transactions Review Committee report. (iii) Pages 124 to 126 of this Report for Nominations and Governance Committee report. (iv) Page 123 of this Report for Remuneration Committee Report.
9.11.1	Listed entities shall have a Nominations and Governance Committee that conforms to the requirements set out in Rule 9.11 of these Rules.	Complied with	The Committee has a written Terms of Reference.
9.11.2	Listed entities shall establish and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee.		Please refer page 124 of this Report.
9.11.3	The Nominations and Governance Committee shall have a written Terms of Reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings.	Complied with	The Committee has a written Terms of Reference. Please refer page 124 of this Report.

Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
9.11.4	<p>Composition</p> <ol style="list-style-type: none"> The members of the Nominations and Governance Committee shall; <ol style="list-style-type: none"> Comprise a minimum of three (3) Directors of the Listed Entity, out of which a minimum of two (2) members shall be Independent Directors of the Listed Entity. It should not comprise Executive Directors of the listed entity. An Independent Director shall be appointed as the Chairperson of the Nominations and Governance Committee by the Board of Directors. The Chairperson and the members of the Nominations and Governance Committee shall be identified in the Annual Report of the Listed Entity. 	Complied with	<p>As per section 9.11.4 the committee comprised four (4) Directors, out of which two (2) members are Independent Directors of the Entity.</p> <p>Chairperson of the Nominations and Governance Committee is an Independent Non-Executive Director.</p> <p>Please refer from pages 124 to 126 of this Report.</p>
9.11.5	Functions of the Nomination and Governance Committee	Complied with	Please refer to pages from 124 to 126 of this Report.
9.11.6	Disclosures in Annual Report	Complied with	
9.12.1	For the purposes of Rule 9.12, the term "remuneration" shall make reference to cash and all non-cash benefits whatsoever received.	Complied with	<p>The Remuneration Committee established and maintained a formal and transparent.</p> <p>procedure for developing policy on remuneration of Executive Directors, Non-Executive Directors and the CEO as stipulated in Section 9.12.</p>
9.12.2	Listed entities shall have a Remuneration Committee that conforms to the requirements set out in Rule 9.12 of these Rules.		
9.12.3	The Remuneration Committee shall establish and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her own remuneration.		
9.12.4	Remuneration for Non-Executive Directors should be based on a policy which adopts the principle of non-discriminatory pay practices among them to ensure that their independence is not impaired.		
9.12.5	Remuneration Committee shall have a written terms of reference clearly defining its scope, authority, duties, and matters pertaining to the quorum of meetings.	Complied with	Please refer to page 123 of this Report.
9.12.6	<p>Composition</p> <ol style="list-style-type: none"> The members of the Remuneration Committee shall; <ol style="list-style-type: none"> comprise a minimum of three (3) Directors of the Listed Entity, out of which a minimum of two (2) members shall be Independent Directors of the Listed Entity. not comprise Executive Directors of the Listed Entity. An Independent Director shall be appointed as the Chairperson of the Remuneration Committee by the Board of Directors. 	Complied with	<p>The Remuneration Committee consists of four members, out of whom two Directors are independent.</p> <p>The Chairman of the Committee is an Independent Director</p> <p>Please refer to page 123 of this Report.</p>
9.12.7	<p>Functions</p> <ol style="list-style-type: none"> The Remuneration Committee shall recommend the remuneration payable to the Executive Directors and CEO of the Listed Entity and/or equivalent position thereof to the Board of the Listed Entity which will make the final determination upon consideration of such recommendations. 	Complied with	Please refer to the Remuneration Committee Report in Page 123 of this report.
	<ol style="list-style-type: none"> The Remuneration Committee may engage any external consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors and CEO. 	Not applicable	

Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
9.12.8	<p>Disclosure in Annual Report</p> <p>The Annual Report should set out the following:</p> <p>(a) Names of the Chairperson and members of the Remuneration Committee and the nature of directorships held by such members (or persons in the parent company's Remuneration Committee in the case of a group company);</p> <p>(b) A statement regarding the remuneration policy; and,</p> <p>(c) The aggregate remuneration of the Executive and Non-Executive Directors.</p>	Complied with	Please refer to the Remuneration Committee Report on pages 123 of this Report.
9.13	Audit Committee		
9.13.1	Where listed entities do not maintain separate committees to perform the Audit and Risk Functions, the Audit Committee of such listed entities shall additionally perform the Risk Functions set out in Rule 9.13 of these Rules.	Complied with	The Entity assigned the Audit Committee the task of performing the audit and risk functions as set out in Section 9.13.4.
9.13.2	The Audit Committee shall have a written terms of reference clearly defining its scope, authority and duties.	Complied with	Please refer to the Audit Committee Report on pages 120 to 122 of this Report.
9.13.3	<p>Composition</p> <p>1. The members of the Audit Committee shall;</p> <p>(a) comprise a minimum of three (3) Directors of the Listed Entity, out of which a minimum of two (2) or a majority of the members, whichever higher, shall be Independent Directors.</p> <p>(b) not comprise Executive Directors of the Listed Entity.</p>	Complied with	Audit Committee consists of four Non-Executive Directors three of whom are independent.
	2. The quorum for a meeting of the Audit Committee shall require that the majority of those in attendance to be Independent Directors.	Complied with	
	3. The Audit Committee may meet as often as required provided that the Audit Committee compulsorily meets on a quarterly basis prior to recommending the financials to be released to the market.	Complied with	Please refer to the Audit Committee Report from pages 120 to 122 of this Report.
	4. An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors.	Complied with	
	<p>5. Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation.</p> <p>Provided however where the Listed Entity maintains a separate Risk Committee, the CEO shall attend the Risk Committee meetings by invitation.</p>	Complied with	The Chief Executive Officer and Chief Financial Officer attends the meetings by invitation.
	<p>6. The Chairperson of the Audit Committee shall be a member of a recognised professional accounting body.</p> <p>Provided however, this Rule shall not be applicable in respect of Risk Committees where a listed entity maintains a separate Risk Committee and Audit Committee.</p>	Complied with	Chairperson of the Audit Committee is a Chartered Accountants with a vast knowledge on financial reporting and compliance.

Corporate Governance

Rule No.	Corporate Governance Rule	Compliance Status	Details
9.13.4	Functions of the Audit Committee	Complied with	Please refer to the Audit Committee Report from pages 120 to 122 of this Report.
9.13.5	Disclosures in Annual Report	Complied with	Please refer to the Audit Committee Report from pages 120 to 122 of this Report.
9.14.1	Listed entities shall have a Related Party Transactions Review Committee (RPT) that conforms to the requirements set out in Rule 9.14 of these Rules.	Complied with	Please refer to the Related Party Transaction Review Committee Report from Page127 of this Report.
9.14.2	Composition 1. The Related Party Transactions Review Committee (RPTRC) shall comprise of a minimum of three (3) Directors of the Listed Entity, out of which two (2) members shall be Independent Directors of the Listed Entity. It may also include Executive Directors, at the option of the Listed Entity. An Independent Director shall be appointed as the Chairperson of the Committee.	Complied with	Related Party Transactions Review Committee consists of four non-executive Directors two of whom are Independent.
	2. If a parent company and the subsidiary are listed entities, the Related Party Transactions Review Committee of the parent company may be permitted to function as the Related Party Transactions Review Committee of the subsidiary.	Not applicable	Not Applicable as only the parent entity is listed.
9.14.3	Functions of the Related Party Transaction Review Committee	Complied with	The Related Party Transaction Review Committee function as specified in this Section.
9.14.4	General Requirements	Complied with	Please refer to the Related Party Transaction Review Committee Report from Page127 of this Report.
9.14.5	Review of related party Transactions by the Related Party Transactions Review Committee	Complied with	The Committee will comply with section 9.14.5 when reviewing the Related Party Transactions.
9.14.6	Shareholder approval		The Committee will comply with section 9.14.6 when reviewing the Related Party Transactions.
9.14.7	Disclosures		The Committee will make relevant disclosures as per Section 9.14.7.
9.14.8	Disclosures in the Annual Report		Please refer to the Note 36 in page 204 of this Report.

Report of the Board Audit Committee

As at 31 December 2024

Dear Shareholder,

On behalf of the Audit Committee ("Committee"), I am pleased to present the Audit Committee Report for the financial year ended 31 December 2024. This report outlines how the Committee has fulfilled its responsibilities regarding financial reporting, risk management, internal controls, and the internal audit function.

The Committee has supported the Board in evaluating the integrity of the Group's financial reporting and identifying emerging risks. This included reviewing the Group's risk management framework, internal control systems, and overseeing the operations of the internal audit function, including forensic audits.

➡ Membership of Committee

The following directors served as members of the Committee throughout 2024.

Mr V U Kumar – Chairman
Mr Suren Amarasekera
Mr Chandrasiri Kalupahana
Mr Chathura Mohotigedara

Mr Chathura Mohotigedara ceased to become a member of the Committee effective 18 December 2024 upon his resignation. Mr Dilip Silva was appointed as a member/chairman of the committee w.e.f. 21 March 2025.

At the Board meeting held on 9 May 2025, Mr Kalupahana who is an independent Director and a fellow member of the Institute of Chartered Accountants of Sri Lanka whose profile is given in page 97, was appointed as the Chairman of the Committee w.e.f. 9 May 2025. Mr V U Kumar resigned from the Board w.e.f. 11 May 2025 and he ceased to be a member of the Committee.

The Committee currently comprises two independent Non-Executive Directors and one Non-independent Non-Executive Directors as follows;

Mr Chandrasiri Kalupahana – Chairman
Mr Suren Amarasekera
Mr Dilip Silva

The composition meets the requirements stipulated in the Listing Rules of the Colombo Stock Exchange.

The Group Company Secretary functions as the Secretary to the Group Audit Committee.

During the financial year 2024, Mr V U Kumar served as the Chairman of the Committee.

The Board is satisfied that the current members of the Committee possess strong financial expertise and a diverse mix of skills in commercial, telecommunications, finance, and audit matters.

➡ Roles and Responsibilities

The responsibilities of the Committee are outlined in its Audit Charter and the Terms of Reference, which align with the Code of Best Practice on Corporate Governance published by The Institute of Chartered Accountants of Sri Lanka. These Terms of Reference are available on the SLT website (www.slt.lk) or upon request.

Primary responsibilities of the Audit Committee

- Overseeing the integrity of the Group's Financial Statements.
- Reviewing quarterly, half-yearly, and annual financial statements in consultation with external auditors prior to making recommendations to the Board for approval.
- Monitoring risk management and internal control systems
- Ensuring compliance with legal and regulatory requirements
- Overseeing forensic audits
- Reviewing the effectiveness and resource allocation of the Internal Audit function
- Ensuring compliance with the requirements of the Listing Rules of the Colombo Stock Exchange.

➡ Financial Reporting

The Committee ensures the accuracy, completeness, and timeliness of financial reporting by overseeing the Management's reporting of interim and annual financial results for the Company and its subsidiaries.

SLT's financial and management reporting includes monthly, quarterly, and annual reports, with a focus on actual results versus budgeted targets, key performance indicators, and forecasts. The Committee regularly reviews these reports and provides strategic direction to management on necessary actions to enhance controls and performance.

The Committee obtained and reviewed a statement of assurance from the CEO and the CFO that the financial records have been properly maintained, and the financial statements give a true and fair view of SLT's operations and finances; and a statement of assurance from the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of SLT's internal control systems.

➡ External Auditors

Under the National Audit Act No. 19 of 2018, and in light of the Government of Sri Lanka's 50.23% shareholding in SLT (via the Secretary to the Treasury), Ernst & Young (EY) has been appointed to assist the Auditor General in auditing SLT's Financial Statements.

Financial Statements were reviewed by the Auditor General, whose opinion on the financial statements is set out on pages 139 to 142. The Committee also met the Auditor General to review the Management Letter with the responses from the Management.

➡ Independence and Provision of Non-audit Services

A formal policy is in place governing the provision of non-audit services by the External Auditor. This policy aligns with best practices and ethical guidelines to ensure the External Auditor's objectivity and independence while preventing potential conflicts of interest.

➡ Internal Audit, Forensic and Compliance

The Committee is responsible for monitoring and reviewing the effectiveness of the Group's internal audit function, including its focus, plans, activities, and resources.

Report of the Board Audit Committee

Key activities undertaken by the Committee in this regard include:

- Approving the Group Internal Audit Plan for 2024
- Assessing the competencies, experience, and resources of the Internal Audit team
- Evaluating the role of Internal Audit within the Group's risk management framework
- Reviewing principal audit findings and Management's corrective actions
- Conducting investigations at the request of Senior Management, the Committee, or the Board

🔄 Risk Management

The Committee is responsible for monitoring the overall risk management framework.

SLT has implemented an enterprise risk management framework that covers strategic, operational, compliance, and financial risks affecting the Company and its subsidiaries. The Committee ensures the adequacy of this framework and collaborates with management to mitigate identified risks effectively.

Special attention has been given to risks arising from market conditions and cybersecurity threats, with appropriate mitigation measures being undertaken.

🔄 Revenue Assurance and Fraud Management

The key objective of the Revenue Assurance function and Fraud Management function is to minimise revenue leakages and fraud penetrated by internal or external parties.

The Committee addresses Revenue Assurance ("RA") and Fraud Management ("FM") in three main perspectives: detection, correction, and monitoring.

Revenue Assurance Division monitors the existing systems in place and evaluates the avenues for revenue loss and corrective actions taken to avoid possible revenue loss to the Company. The detections are achieved by both manual and automated means. Typical detection activities include comparison, investigation and auditing of information and processes. The aim is to find the root cause behind detected errors and deviations.

Correction is the set of activities and processes employed to minimise errors identified by the RA detection. Typically, some information or configuration needs to be added, edited or removed from a system, process or procedure in order to correct the detected anomaly. The process of correction of a root cause could involve modifications or enhancements of information, processes, systems, technology or organisation.

Prevention is the process of performing an activity in order to prevent anomalies that would be found using RA Detection.

The Committee reviews the findings and recommendations of these functions and ensures that appropriate and timely action is taken by the management to minimise revenue leakage and fraud.

🔄 Committee Meetings

The Committee met eight times during the year and the attendance of the members of the Committee are disclosed in the Corporate Governance Report on page 109.

Typically, the Chief Executive Officer, the Chief Financial Officer, and the Chief Internal Auditor, as well as representatives of the External Auditor, are invited to attend meetings of the Committee. When required, other Key Executives and Senior Management are invited to attend to present and provide deeper insight on various topics as are required by the Committee to discharge its duties.

The Company Secretary functions as the Secretary to the Committee.

After each Committee meeting, the Chairman of the Committee reports to the Board on the key issues which have been discussed.

Key matters considered during the meetings held during the year are:

Month of meeting	Key activities
February 2024	<ul style="list-style-type: none"> • Reviewed internal audit findings, recommendations and management action presented by the CIA with the management. • Reviewed the fourth quarter interim Financial Statements for the period ended 31 December 2023 including the audit observation by EY for SLT and Mobitel. • Reviewed and recommended the audit fee for 2024 for the approval of the Board.
1 March 2024	<ul style="list-style-type: none"> • Reviewed and recommended for the approval of the Board the Audit Plan for 2024. • Reviewed the forensic and compliance policy for SLT Group. • Discussion with EY without participation of Management.

Report of the Board Audit Committee

Month of meeting	Key activities
25 March 2024	<ul style="list-style-type: none"> Reviewed and recommended the consolidated audited Financial Statements made up to 31 December 2023 for approval of the Board including EY's audit findings. Reviewed the revenue assurance findings, recommendations, and management action. Reviewed the Group Compliance Report. The AC recommended to appoint a compliance officer to ensure that the Company has complied with all statutory and regulatory requirements. Reviewed internal audit findings, recommendations, and management action presented by the CIA with the Management.
13 May 2024	<ul style="list-style-type: none"> Reviewed internal audit findings, recommendations, and management action presented by the CIA with the Management. Reviewed the key enterprise risks and progress of mitigating action by Management. Reviewed the findings particularly on the going concern assessment and recommendations of the external auditor on interim Financial Statements for the first quarter of 2024 and recommended the Financial Statements for approval of the Board.
24 July 2024	<ul style="list-style-type: none"> AC reviewed and recommended the Anti-bribery and Anti-corruption Policy for the approval of the Board.
9 August 2024	<ul style="list-style-type: none"> Reviewed the findings particularly on the going concern assessment and recommendations of the External Auditor on interim Financial Statements for the second quarter of 2024 for approval of the Board.
18 September 2024	<ul style="list-style-type: none"> Detailed review on the competitive risk as part of regular Risk management update Reviewed the revenue assurance findings, recommendations, and management action. Reviewed the Group Forensic, Compliance, and Regulatory reports. Chief Officer Forensic and Compliance presented the procedure manual and fraud risk assessment. Reviewed internal audit findings, recommendations, and management action presented by the CIA with the Management
11 November 2024	<ul style="list-style-type: none"> Reviewed and recommended the third quarter interim Financial Statements for approval of the Board including EY's Audit Plan and the Management Letter for 2024. Reviewed on the competitive risk as part of regular risk management update Reviewed the revenue assurance findings, recommendations, and management action. Reviewed and recommended the Policy on control Management of Company Assets and shareholder investment and internal controls of SLT Group. Reviewed the Group Forensic, Compliance, and Regulatory reports. Chief Officer Forensic and Compliance presented the procedure manual and fraud risk assessment. Reviewed internal audit findings, recommendations, and management action presented by the CIA with the Management

On behalf of the Group Audit Committee



Chandrasiri Kalupahana
Chairman of the Audit Committee

9 May 2025

Report of the Remuneration Committee

The Committee function as the Group Remuneration Committee ("RC"). The RC comprised of its chairman, Mr Niel Unamboowe, President's Counsel (Independent Director) and its following committee members, namely;

Mr Chan Chee Beng (Non-Independent Director) – Appointed on 5 June 2008

Mr Lawrence Paratz (Non-Independent Director) – Appointed on 27 March 2024

Dr Mothilal De Silva (Independent Director) – Appointed on 12 November 2024

In place of Mr Dimal Arandara and Mr Dinesh Vidanapathirana whose memberships were ceased due to resignation from the Board on 16 October 2024 and 18 October 2024 respectively, Mr Unamboowe, PC and Dr Mothilal were appointed to the Committee on 12 November 2024 as members thereby the half of the members of the Committee are independent Directors.

Mr Paratz, who is over 70 years of age ceased to be member of the committee with effect from 14 May 2025 upon completion of one year from the date of re-appointment at the previous AGM held on 14 May 2024.

Brief profiles of the Directors are contained in the Board of Directors section in the Annual Report in pages 94 to 99 highlighting the Board diversity in the range of experience, skills, age, and gender.

The Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Chief People's Officer ("CPO") and external advisers are invited to attend for all, or any part of the meeting as required.

The Company Secretary functions as the Secretary of the Committee.

In 2024, the RC performed its duties as per best practices and good corporate governance and executed tasks as assigned by the Board of Directors.

➡ Role and responsibilities

The principal tasks of the Committee include;

- Recommend to the Board on formulation of proposals in respect of the remuneration policy of non-executive directors, CEO of SLT and COO of subsidiaries and executive management of SLT.

- Review and recommend annual bonus payments and annual salary increments for all employees of SLT group.

The CEO and COOs of the respective companies are fully consulted on remuneration proposals.

The Committee operates within agreed terms of reference and is committed to ensuring that remuneration arrangements align-reward with performance. The TOR of RC, was reviewed in line with the revised Listing Rules of CSE, to ensure alignment with regulatory requirements and industry best practices.

➡ Remuneration policy

The remuneration policy is designed to reward, motivate and retain the Company's executive team, with competitive market remuneration and benefits, to support the continued success of the business and creation of shareholder value.

The remuneration packages which are linked to individual performances are aligned with the Company's short-term and long-term strategy. The Committee makes every endeavour to maintain remuneration levels that are sufficient to attract and retain members of the senior management team.

All Non-Executive Directors including the Chairman receive a fee for serving on the Board and serving on Board committees based on their attendance at meeting. They do not receive any performance-related incentive payments. Also, all expenses incurred by the oversees Non-Executive Directors for attendance at meetings of SLT and its subsidiaries are reimbursed on an actual basis.

➡ CEO and the Senior Management's remuneration

The main elements of the remuneration package for the CEO and senior management are basic salary, benefits, and performance related annual bonus. Payment of an annual bonus depends on the achievement of operating profit targets and personal goals. The salary of the CEO and the senior management are reviewed

annually in January having regard to the year-on-year inflation of the Country, the organisational performance and the individual performance.

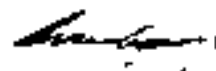
Details of the overall Directors' remuneration charged to the Group Income Statement is shown in note 7 on page 172.

The Directors have no beneficial interests in any of the Group's subsidiary undertakings.

The Committee held a total of five meetings. A summary of its key activities is given below.

- Assessed the performance of CEO for 2024 and recommended the due salary increments accordingly. Also, assessed the performance of Chief Operating Officers and other KMPs of SLT's and other subsidiaries and recommended salary adjustment accordingly.
- Reviewed and recommended for the approval of the Board, the annual salary increase and the bonus for the staff of SLT and its subsidiaries for the year 2024 based on individual performance and achievement of the Companies KPIs also in line with the respective company policies on performance management.
- The Committee reviewed the existing performance management policy and scheme and recommended establishing bell-curve performance management aiming to recognise high performance.
- Adoption of policy for retention of valuable performers and critical roles.
- Reviewed the salary anomaly reported by non-executive staff and recommended the management' proposals for approval of the Board

On behalf of the
Remuneration Committee



Niel Unamboowe, P.C
Chairperson

23 May 2025

Report of the Nomination and Governance Committee

The Nomination and Governance Committee ("N&GC") comprised of its chairman, Mr Niel Unamboowe, President's Counsel (Independent Director) appointed to the Committee on 12 November 2024 and its following committee members.

Mr Chan Chee Beng (Non-Independent Director) – Appointed on 05 June 2008

Mr V U Kumar (Non-Independent Director) – Appointed on 2 July 2021

Mr V U Kumar ceased to be a member of the Committee w.e.f. 11 May 2025 upon his resignation from the Board.

Dr Mothilal de Silva (Independent Director) – Appointed on 12 November 2024

Brief profiles of the Directors are contained in the Board of Directors section in the Annual Report in pages 94 to 99 highlighting the Board diversity in the range of experience, skills, age, and gender.

The Committee functions as the Group N&GC. The Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Chief People's Officer ("CPO") and external advisers are invited to attend for all, or any part of the meeting as required.

The Company Secretary functions as the Secretary of the Committee.

Role and responsibilities

The principal tasks of the Committee include;

- Review the structure, skills and the composition of the Board and its Committees on an ongoing basis, making recommendations to the Board as appropriate in line with the Code of Best Practice on Corporate Governance 2023 issued by the Institute of Chartered Accountants of Sri Lanka and Corporate Governance Rules of the CSE.
- Review and recommend all new appointments to the Boards of subsidiaries and associate companies of the Group.
- Nominate for the Board's approval suitable candidates to fill casual vacancies as the need arises, re-election of Directors for the approval of shareholders in conformity with the Articles of Association of SLT.

- Recommend placement of senior management for the vacant position of the Company for the approval of the Board.
- Review the career and development plans for the Company's most senior members of management with a view to ensuring that there is an adequate talent pool.
- Evaluation of the performance of the CEO and the COO of Mobitel.
- Develop a succession plan for Key Management Personnel of the Group.
- Recommend to the Board on formulation of policies concerning best practices in par with the CSE Listing Rules and other best practices.

🕒 Terms of reference

The Committee operates within the agreed Terms of Reference (TOR) and continued Listing Rules. The TOR of the N&GC, adopted by the Board, was reviewed periodically, to ensure alignment with regulatory requirements and industry best practices. The TOR was further reviewed and amended by the members of the Committee at its meeting held on 21 November 2023 to be in line with the CSE revised Listing Rules.

🕒 Policies and regulations

The Committee adopted the following new policies in terms of the CSE revised Rules on Corporate Governance;

- Policy on matters relating to the Board of Directors
- Policy on Board Committees
- Policy on Corporate Governance, Nominations and Re-election
- Policy on Remuneration
- Policy on Relations with Shareholders and Investors
- Policy on Control and Management of Company Assets and Shareholder Investments
- Policy on Corporate Disclosures
- Policy on Anti-Bribery and Corruption

The above policies are in addition to the existing policies which are available on the Company's website.

🕒 Appointment, re-election of directors to the Board of Directors

In terms of the Articles of Association (AoA) of the Company, the Directors have power to appoint a person to fill a casual vacancy or as an additional Director upto the maximum number of Directors authorized by the AoA. Any Director so appointed shall hold office until the next Annual General Meeting ("AGM") and be re-elected by the Shareholders. In addition, one third of the Directors (or the number nearest to one third) retire by rotation at each AGM and offer themselves for re-election by the shareholders.

The N&GC has been entrusted with the task of reviewing the candidates recommended by the major shareholders and recommending them to the Board. The General criteria for nomination of director candidates include, but are not limited to, the highest standards of integrity and ethical behavior, the ability to provide wise and informed guidance to management, a willingness to pursue a thoughtful, objective inquiry on important issues before the Company, and a range of experience and knowledge commensurate with the Company's needs as well as the expectations of knowledgeable investors. The Committee also considers whether the candidate enhances the diversity of the Board which includes professional background and capabilities, experience, skills competencies, age, gender and industry requirements.

🕒 Disclosures by the Committee

The Directors are provided with an induction pack comprising the AoA of SLT, Terms of Reference of all Board-Sub Committees, CSE Listing Rules, a presentation of Directors' duties and responsibilities and overview of the Company's Business and Affairs.

Independent Directors are free to express their views on the issues relating to the Company at Board meetings.

Report of the Nomination and Governance Committee

The Committee has appraised Corporate Governance, Listing Rules, Securities Market Regulations and other applicable laws and regulations as appropriate.

In 2024, the N&GC performed its duties as per best practices and good corporate governance and executed tasks as assigned by the Board of Directors. The Committee held a total of seven meetings. A summary of its activities is given below.

1. Nomination and Selection of Directors and Sub-committee Members.

- Two major shareholders namely the Government of Sri Lanka acting through the Secretary to the Treasury and the Global Technological Holdings were exercising their rights to nominate candidates for vacant positions. The Committee reviewed and recommended them for the approval of the Board the appointment of new

Directors and re-election of Directors for the approval of the shareholders in terms of the AoA.

- The Committee recommended the re-election of Mr Suren Amarasekera, who was longest in the directorate since his last election, to be re-elected as director for another term.

As required under Rule No 9.11.6 of the Rules of the CSE, we give below the information of the Directors proposed for re-election at the Annual General Meeting to be held on 26 June 2025.

Name of the Director	Board Sub-Committee	Date of 1st appointment to the Board as Director	Date of last re-election as Director	Directorships in the other entities	Material Relationship
Dr Mothilal de Silva	Member – TSC Member – STB Member – N&GC	4 November 2024	To be re-elected at the AGM	As per the profile published in page 94	Dr Mothilal de Silva or his close family members do not have any relationships with the Directors of SLT or its material shareholders other than the relevant interest in transactions with SLT disclosed in pages 204 to 206 in this report
Mr Niel Unamboowe, PC	Member – STB Member – N & GC Member – RC	4 November 2024	To be re-elected at the AGM	As per the profile published in page 96	Mr Niel Unamboowe, PC or his close family members do not have any relationships with the Directors of SLT or its material shareholders other than the relevant interest in transactions with SLT disclosed in pages 204 to 206 in this report
Mr Chandrasiri Kalupahana	Chairman – AC Member – RPT-RC	4 November 2024	To be re-elected at the AGM	As per the profile published in page 97	Mr Chandrasiri Kalupahana or his close family members do not have any relationships with the Directors of SLT or its material shareholders other than the relevant interest in transactions with SLT disclosed in pages 204 to 206 in this report
Mr T M Thilakaratne	Member – TSC Member – RC	4 November 2024	To be re-elected at the AGM	As per the profile published in page 98	Mr T M Thilakaratne or his close family members do not have any relationships with the Directors of SLT or its material shareholders other than the relevant interest in transactions with SLT disclosed in pages 204 to 206 in this report
Mr Dilip Silva	Member – AC Member – RPT-RC	31 January 2025	To be re-elected at the AGM	As per the profile published in page 98	Mr Dilip Silva or his close family members do not have any relationships with the Directors of SLT or its material shareholders other than the relevant interest in transactions with SLT disclosed in pages 204 to 206 in this report
Mr Suren Amarasekera	Chairman – RPT-RC Chairman – TSC Member – AC	8 December 2022	11 May 2023	As per the profile published in page 96	Mr Suren Amarasekera or his close family members do not have any relationships with the Directors of SLT or its material shareholders other than the relevant interest in transactions with SLT disclosed in pages 204 to 206 in this report

Report of the Nomination and Governance Committee

Name of the Director	Board Sub-Committee	Date of 1st appointment to the Board as Director	Date of last re-election as Director	Directorships in the other entities	Material Relationship
Mr Lawrence Paratz	–	–	To be appointed at the AGM	As per the profile published in page 95	To be appointed on 26 June 2025
Mr Nihal Fonseka	–	–	To be appointed at the AGM	As per the profile published in page 134	To be appointed on 26 June 2025

- All candidates possessed the required qualifications and did not have any prohibited characteristics according to relevant regulations and criteria. They also possessed knowledge, competency, and experience that aligned with the Company's business strategies. The 2025 AGM thus will be resolved to approve the re-election of these candidates as Directors as recommended by the Committee.
- Nominating Directors to fill vacant positions on 4 Sub-committees, namely the Audit Committee, N&GC, Remuneration Committee, Senior Tender Board, and the Technology Sub Committee and presenting a list of candidates to the Board of Directors for consideration and approval under the criteria and processes for nomination and appointment of Directors in the Sub-committees. The Committee took into consideration the qualifications of each Directors in accordance with relevant regulations of the listing rules of the CSE and the best practice on corporate

governance. The Board Skills Matrix and specialised experience that could benefit their role on the Sub-committees were also considered.

- Reviewed and recommended for the approval of the new policies in conformity with the CSE revised listing rules.

🔗 Declarations by the Committee

The Company maintains a suitable process for the periodic evaluation of the performance of the CEO and the COO of Mobitel to ensure that their responsibilities are satisfactorily discharged.

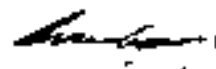
The Company has confirmed that during the year 2024 the Company has complied with the Corporate Governance requirements stipulated under the CSE Listing Rules in accordance with the timelines specified therein. However, in terms of revised listing rules a non-compliance have been surfaced which are being rectified.

🔗 Reporting to the Board

The minutes of the Committee meetings were tabled at Board meetings. In addition, the N&GC meetings are scheduled prior to the Board meeting to provide an update on matters deliberated at N&GC meetings, thereby providing Board members with access to the deliberations of the Committee.

On behalf of the

Nomination and Governance Committee



Niel Unamboowe, P.C
Chairperson

23 May 2025

Report of the Related Party Transactions Review Committee

➔ Objective

The objective of the Committee is to provide oversight on behalf of the Board to ensure compliance with the Code on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka (the Code) and the Listing Rules of the Colombo Stock Exchange (CSE).

➔ Composition

The Committee currently comprises two independent Non-Executive Directors and one Non-Independent Non-Executive Directors: Mr Suren Amarasekera – (chairman), Mr Chandrasiri Kalupahana, and Mr Dilip Silva.

Mr V U Kumar ceased to be a member of the Committee with effect from 11 May 2025, following his resignation from the Board of SLT.

In compliance with the Listing Rules of the CSE, the Chairman of the Committee is an independent Director.

The Company Secretary serves as the Secretary of the Committee.

➔ Meetings of the committee

The Committee held four meetings during the financial year 2024. Attendance details are provided in the Corporate Governance Report on page 109. The Chief Financial Officer attended the meetings by invitation.

The activities and recommendations of the Committee were communicated to the Board of Directors through verbal briefings and by presenting the minutes of the Committee's meetings.

➔ Policies and procedures

The members of the Board of Directors of the Company and the Senior Management have been identified as Key Management Personnel. In accordance with the Related Party Transaction Policy, declarations are obtained from each Key Management Personnel every quarter to identify related parties. Based on the information provided in these declarations, the Company retrieves data on related party transactions from its database.

➔ Activities during 2024

The Committee reviewed the recurrent Related Party Transactions (RPTs) entered into by the Company at the end of each quarter, along with the Affirmative Statements issued by the Chief Financial Officer. These statements reassured that all transactions conducted during the quarters were recurrent, entered into on an arm's length basis, and did not involve any favorable terms for related parties. Additionally, it was confirmed that no non-recurrent transactions took place during the period under review.

The Committee observed that the recurrent and non-recurrent transactions during the period ending 31 December 2024 did not require shareholder approval or immediate market disclosure under the Listing Rules.

Details of other related party transactions entered into by the Company during the financial year are disclosed in Note 36 of the Financial Statements.

➔ Declaration by the Board

A declaration is included in the Annual Report of the Board of Directors on pages 133 to 137, stating that no related party transaction falling within the scope of Rule 9.3.2 of the Listing Rules of the CSE was entered into by the Company during the year.

On behalf of the Related Party Transactions Review Committee



Suren Amarasekera
Chairperson

23 May 2025

Forensic and Compliance

🕒 Establishment of Forensic and Compliance function

Transparency, ethical behaviour and adherence to prescribed laws, rules, and codes of conduct are increasingly moving into the centre stage in the corporate world of today. Prevention of fraud and corruption assumes greater importance in the context of our industry, which is extremely vulnerable to such risks. It is with this backdrop that SLT decided to upgrade the status of the forensic and compliance function to a separate Division. From a national perspective, this was a landmark event as we were the pioneer listed company to recognise the centrality of the function.

Since 2023, the first year of operation, Forensic investigations were conducted into suspected fraudulent activities, leading to corrective actions and the implementation of process improvements, further bolstering the company's integrity and transparency. The department's proactive approach to fraud prevention and compliance has been integral to maintaining a culture of accountability across all levels of the organisation. During the year 2024, Preventive initiatives were undertaken to reinforce accountability, encourage ethical decision-making, and strengthen the company's whistleblowing mechanism. These efforts aimed to create a fraud-free workplace by conducting employee awareness programs focused on Fraud Prevention, Anti-Bribery, Anti-Corruption, Integrity and Ethics. Recognizing the importance of extending awareness beyond internal stakeholders, a dedicated supplier awareness session was facilitated by Forensic and Compliance Group – SLT with the resource support from the Commission to Investigate Allegations of Bribery or Corruption (CIABOC) on the Anti-Bribery Act. The program highlighted the Company's expectations regarding anti-bribery, anti-corruption, and data protection, while promoting good governance practices among business partners. Looking ahead, the department remains committed to continuously improving its policies and practices, reinforcing the values of independence, transparency, and impartiality in all of its operations.

🕒 Whistle-blowing Policy Implemented

In alignment with our commitment to fostering a transparent and accountable organisational culture, SLT introduced a newly enhanced Whistleblowing Policy during the year. This policy reflects our zero-tolerance stance on unethical behavior and aims to empower all stakeholders to report suspected misconduct without fear of retaliation. Recognising that fear of reprisal and lack of trust in reporting channels are common cultural barriers, SLT has taken a proactive step by engaging an Independent Third Party to manage the whistleblowing platform. This ensures that all complaints are handled with the highest degree of confidentiality and impartiality, thereby building trust in the reporting process.

As a result of the newly implemented whistleblowing policy and the ongoing employee awareness initiatives, the year under review saw a notable increase in the number of complaints received through the whistleblowing channel. This upward trend is viewed as a positive indicator of heightened awareness and engagement among the stakeholders. It reflects a growing confidence in the reporting mechanisms and a collective commitment to upholding a fraud-free and ethically responsible work environment.

🕒 Compliance to the Regulation

Compliance with legal and regulatory requirements, along with adherence to codes of best practice, remains a cornerstone of robust corporate governance at SLT. The Company operates under the regulatory oversight of several key entities, including the Telecommunications Regulatory Commission, the Colombo Stock Exchange, and other regulatory bodies.

In 2023, the Forensic and Compliance Group undertook several initiatives to reinforce a culture of integrity and accountability across the organisation. Currently, compliance reviews are conducted by the Compliance team by following a structured approach initiating,

prioritising, and implementing corrective actions to address any actual or potential non-compliances or irregularities. The Forensic and Compliance Group continued to ensure SLT's adherence to a broad spectrum of regulatory requirements, spanning telecommunications, taxation, financial reporting, consumer protection, and data privacy. These efforts form part of a robust compliance framework that not only safeguards the Company against legal and reputational risks but also strengthens stakeholder confidence in SLT's governance and ethical standards.

Enterprise Risk Management

➤ Introduction

The global and domestic telecommunications market has undergone significant changes over the past decade, driven by the disruptive impact of Over-the-Top (OTT) players, rapid technological advancements particularly in mobile operations and device markets and economic uncertainties stemming from geopolitical tensions. Domestically, industry dynamics have also evolved, marked by mergers among operators. In this ever-changing landscape, it is critical for organisations to anticipate and manage business-critical risks effectively.

Recognising this imperative, the Board of Directors (BOD) has mandated the implementation of a robust Enterprise Risk Management (ERM) process across the Organisation. In alignment with this directive, SLT has developed an ERM framework based on global best practices, aligning with ISO 31000 standards. The ERM process enables SLT to identify, assess, and manage risks that could impact on SLT's ability to achieve its corporate objectives and fostering a risk-aware culture throughout the Organisation.

To enhance governance, a formalised risk reporting process to the Board has been established. This initiative is supported by the Risk Management Steering Committee (RMSC), which analyses escalated risks from functional groups and identifies critical business risks. Additionally, the ERM framework has been extended to subsidiaries, including Mobitel, ensuring comprehensive risk oversight. The Board periodically reviews group-wide risks through the Audit Committee.

➤ Roles and Responsibility

Audit Committee

The Audit Committee, appointed at the Board level, holds primary responsibility for overseeing risk management and internal control functions. It is tasked with establishing and supervising the Group's risk management framework and internal control systems, ensuring that they align with the Group's risk appetite while maintaining acceptable levels of risk tolerance. This oversight aims to safeguard shareholder interests and optimise returns.

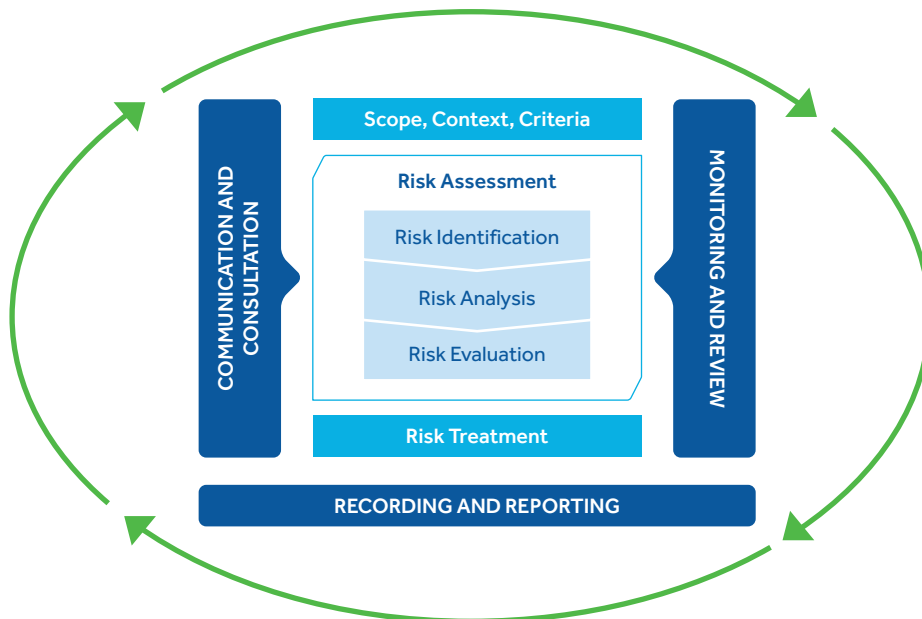
Risk Management Steering Committee

Management is accountable to the Audit Committee and is responsible for implementing risk identification, evaluation, response action, monitoring, and reporting processes. It also ensures the effectiveness of internal control mechanisms and takes corrective actions when necessary. The Management has assured the Board that the Group's risk management and internal control systems are functioning effectively.

Key responsibilities include:

- Designing, implementing, and monitoring the risk management framework in line with the Group's strategic objectives and risk appetite
- Identifying emerging risks and changes to existing risks, implementing appropriate mitigation measures, and promptly escalating critical risks to the Board's Audit Committee.

➤ ISO Framework



Forensic and Compliance

🔗 Enterprise Risks for Year 2024

Risk	Description	Risk level	Actions taken
Mergers and New Market Entrants	The industry is experiencing structural shifts, including the merger of two mobile operators and the entry of a satellite service provider, which challenge SLT Group's market position.	High	Engaging with regulatory authorities to mitigate risks and ensuring equitable allocation of spectrum resources.
Regulatory Risk	Changes in telecommunications regulations, including 5G spectrum allocation, a new telecommunications act, and number portability requirements, may impact operations and financial performance.	High	Continuous monitoring and close collaboration with regulators to manage compliance and minimise impact.
Competitive Risk	Increasing competition and shifting customer preferences toward budget-friendly services pose challenges to revenue growth.	High	Strengthening customer retention strategies, enhancing service quality, and introducing innovative products and services.
Technology Risks	Potential disruptions due to rapid technological advancements, system failures, obsolescence, and interdependencies.	High	Monitoring industry advancements and investing in cutting-edge technologies to stay competitive.
Data Privacy and Cybersecurity Risk	The growing threat of data breaches, theft, and misuse of information could harm customer confidence, disrupt operations, and damage reputation.	High	Strengthening cybersecurity measures, enhancing monitoring capabilities, and obtaining ISO security certifications.
People Risk	Employee-related risks, including turnover, workforce planning, and talent retention challenges exacerbated by migration trends seeking foreign employment.	Medium	Implementing retention strategies and aligning talent acquisition with market expectations.

Additionally, financial and supply chain risks have shown signs of improvement due to economic stabilisation, favourable exchange rates, reduced energy costs, and lower interest rates.

“ In a year marked by economic uncertainties, SLT demonstrated resilience through strategic cost optimisation and operational efficiency, achieving a profit of over LKR 2 Bn. Mobitel achieved a 7% increase in revenue, underscoring our ability to retain and grow our customer base in a competitive market. ”

Janaka R Abeysinghe
Chief Executive Officer

Financial Reports

133

Annual Report of the Board of Directors on the Affairs of the Company

138

Statement of Directors in Relation to their Responsibility for the Preparation of Financial Statements

139

Auditor General's Report

143

Statement of Profit or Loss and Other Comprehensive Income

144

Statement of Financial Position

146

Consolidated Statement of Changes in Equity – Group

147

Consolidated Statement of Changes in Equity – Company

148

Statement of Cash Flows

149

Notes to the Financial Statements



Annual Report of the Board of Directors on the Affairs of the Company

The Directors are pleased to present their report and the Audited Financial Statements of the Company, Sri Lanka Telecom PLC and the Group for the financial year 2024.

Formation

Sri Lanka Telecom ("SLT") was established by an Incorporation Order made under Section 2 of the State Industrial Corporations Act No. 49 of 1957 and published in the Extraordinary Gazette No. 596/11 of 6 February 1990. Subsequently, by order of the Minister of Posts and Telecommunications ("the Minister") on 24 July 1991 under Section 23 of the Sri Lanka Telecommunications Act No. 25 of 1991 and published in the Gazette No. 675 of 9 August 1991, all properties, rights and liabilities (other than those excluded by the agreement entered into between the Minister and SLT as per sub-section 2 of Section 23 of the Sri Lanka Telecommunication Act) to which the Department of Telecommunications ("DoT") was entitled or subject to immediately before the transfer date of 1 September 1991 were vested with SLT.

SLT was converted to a public limited company on 25 September 1996, under the Conversion of Public Corporations of Government Owned Business Undertakings into Public Limited Companies Act No. 23 of 1987, vide Extraordinary Gazette No. 942/7 dated 25 September 1996 and the shares were listed on the Colombo Stock Exchange ("CSE") in January 2003.

SLT was re-registered under the Companies Act No. 07 of 2007 as Sri Lanka Telecom PLC on 4 June 2007.

Principal Group Activities and Business Review

The Group offers a comprehensive portfolio of telecommunication services across Sri Lanka, with its core operations in domestic and international fixed and mobile ICT operations. Additionally the Group provides inter-alia, fixed and wireless broadband services, IPTV, data center and cloud services, digital products, IDD services, mobile money, maritime transmission and value-added services.

The Company's interest in subsidiaries/joint ventures and their business activities during the financial year 2024 are as follows:

Name of the subsidiary/Associate company	Business activity
Mobitel (Private) Limited	Mobile telecommunication services
eChannelling PLC	Digital lifestyle solutions for healthcare and other industries.
Mobit Technologies (Pvt) Ltd.	Ceased operations and is under liquidation
Sri Lanka Telecom (Services) Ltd.	Total network solutions, IPTV support services, directory information and digital services
SLT Human Capital Solutions (Pvt) Ltd.	Ceased operations.
Galle Submarine Cable Depot (Pvt) Ltd.	Repair and maintenance of submarine telecommunication cable systems to third parties.
Xyntac Singapore Pte. Ltd	Wired telecommunication network operations in Singapore

SLT Human Capital Solutions (Pvt) Ltd. divested its stake in Talentfort (Pvt) Ltd., on 29 August 2024 as its operations were not aligned with SLT Group's core business.

SLT VisionCom (Pvt) Ltd., and SLT Digital Services (Pvt) Ltd., fully owned subsidiaries of SLT were amalgamated into Sri Lanka Telecom (Services) Ltd., in terms of Section 242(2) of the Companies Act No. 7 of 2007 effective 1 April 2024 to establish a unique entity capable of more effectively competing in the marketplace, while also benefiting from greater economies of scale. Accordingly, Sri Lanka Telecom (Services) Ltd., remained as the Amalgamated Company.

A detailed review of the Company's activities, the development of its businesses, and an indication of likely future developments are given under Management Discussion and Analysis.

Board of Directors

In terms of section 168 (1) (h) of the Companies Act No. 07 of 2007, and the Listing Rules of the Colombo Stock Exchange ("CSE"), the names of persons who held the office as Directors of the Company during the financial year ended 31 December 2024 are given below;

Directors as at 31 December 2024

Name of Director	Position
Dr Mothilal de Silva	Chairman/ INED
Mr Chan Chee Beng	NED
Mr Lawrence Paratz	NED
Mr V U Kumar	NED
Mr Suren Amarasekera	INED
Mr Niel Unamboowe, PC	INED
Mr Chandrasiri Kalupahana	INED
Mr T M Thilakarathne	INED

NED – Non-Executive Director

INED – Independent Non – Executive Director

The following Directors tendered their resignation during the period upto May 2025.

	Date of resignation
Mr A K D D D Arandara	16 October 2024
Mr Dinesh Vidanapathirana	18 October 2024
Prof Kithsiri Liyanage	18 October 2024
Dr Isuru Dasanayake	21 October 2024
Dr K A S Keeragala	11 November 2024
Mr M M C P Mohottigedera	18 December 2024
Mr V U Kumar	11 May 2025

Annual Report of the Board of Directors on the Affairs of the Company

Changes to the directorate subsequent to the financial year

The Directorship of Mr Lawrence Paratz ceased effective 14 May 2025 upon completion of one year from the date of re-appointment at the last AGM and who will be appointed at the forthcoming AGM.

Mr H C D L Silva – Appointed w.e.f. 31 January 2025

Accordingly, the current composition of the Board is as follows;

Name of Director	Position	Date of Appointment	Date of Re-election
Dr Mothilal de Silva	Chairman/INED	4 November 2024	To be re-elected at the AGM
Mr Chan Chee Beng	NED	5 June 2008	14 May 2024
Mr Suren Amarasekera	INED	8 December 2022	To be re-elected at the AGM
Mr Niel Unamboowe, PC	INED	4 November 2024	To be re-elected at the AGM
Mr Chandrasiri Kalupahana	INED	4 November 2024	To be re-elected at the AGM
Mr T M Thilakarathne	INED	4 November 2024	To be re-elected at the AGM
Mr Dilip Silva	NED	31 January 2025	To be re-elected at the AGM

Brief profiles of the Directors are contained in the Board of Directors section in the Annual Report

🔗 Appointment and Re-election of Directors

As per the Articles of Association ("AoA") of the Company, the Directors are authorised to appoint any person to be a director either to fill a casual vacancy or as an additional Director provided that the total number of Directors do not exceed the maximum number of Directors specified in the AoA of the Company. The Directors appointed during the year will hold office only until the next Annual General Meeting ("AGM") and will offer themselves for re-election by the shareholders.

In addition, one third of the Directors (or the number nearest to one third) retire by rotation at each AGM and offer themselves for re-appointment by the shareholders.

Messrs Mothilal de Silva, Niel Unamboowe, PC Chandrasiri Kalupahana, T M Thilakarathne and Dilip Silva who were appointed to the Board since the previous AGM offer themselves for re-appointment in accordance with Article 97 of the AoA of the Company.

Mr Suren Amarasekera, who has been longest in office since the last re-election, retire by rotation in terms of Article 91 and 92 of the AoA of the Company and being eligible offer himself for re-election.

In terms of Section 210 of the Companies Act No. 7 of 2007, the Directors who are over the age of 70 years vacated office at the conclusion of one year from the date of the previous AGM held in 2024 and are eligible to be re-appointed by the shareholders under An Ordinary Resolutions will be put before the shareholders for the appointment of Mr Lawrence Paratz notwithstanding the age limit of seventy years stipulated by section 210 of the Companies Act.

A notice has been sent by the Global Telecommunications Holdings N.V. a major shareholder holding 44.98% shareholding in the Company nominating Mr Nihal Fonseka who is over above the age of 70 years to the Board. 211 of the Companies Act No. 7 of 2007 Ordinary Resolutions will be put before the shareholders for the appointment of Mr Nihal Fonseka as an Independent Director, who is aged 72 years notwithstanding the age limit of seventy years stipulated by section 210 of the Companies Act.

Mr. Nihal Fonseka is a Member of the Governing Board and Monetary Policy Board of the Central Bank of Sri Lanka since July 2022 after having served as a Member of the Monetary Board of the Central Bank of Sri Lanka from 2016 to 2020. Currently, he is also a Director and Chairman of the Group Audit Committee of Brandix Lanka

Limited. He is also the Chairman of Phoenix Industries Limited and an Independent Director and Chairman of the Investment Committee of Phoenix Ventures Limited. He was the President of the Sri Lanka National Advisory Council of the Chartered Institute of Securities and Investments, UK, from 2011 to 2021.

Mr. Fonseka served as the Chief Executive Officer of DFCC Bank from 2000 until 2013. Prior to joining the DFCC Bank, he was the Deputy Chief Executive of HSBC Sri Lanka. He was the Senior Independent Director of John Keells Holdings PLC for 10 years until June 2024.

Mr. Fonseka was a past Chairman of the Colombo Stock Exchange and the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). He has also held non-executive public sector positions as a Director of the Employees' Trust Fund Board, and as member of the Presidential Commission on Taxation (2009), National Procurement Commission and Strategic Enterprises Management Agency (SEMA).

He holds a B.Sc. from the University of Ceylon, Colombo and is a Fellow of the Institute of Financial Studies, (FIB) UK and is an Honorary Fellow of the Chartered Institute of Securities and Investments, FCSI(Hon), UK.

🔗 Board Sub-committees

In terms of Section 186 of the Companies Act, the AoA of the Company and the Listing Rules the following mandatory and voluntary sub-committees have been appointed by the Board to focus in detail on a particular issue and to assist the Board in decision making.

- Audit Committee
- Nomination and Governance Committee
- Remuneration Committee
- Related Party Transactions Review Committee
- Senior Tender Board
- Technology Sub-Committee

Information relating to Sub-committees is given under "Corporate Governance" on page 105.

Annual Report of the Board of Directors on the Affairs of the Company

⌚ Directors' Indemnities and Insurance

The Company maintains Directors' and Officers' liability insurance which gives appropriate cover for any legal action brought against its Directors and Officers.

⌚ Interest Register and Directors' interest in contracts with the Company

An Interest Register is maintained by the Company as per the requirement of the Companies Act No. 7 of 2007. The Directors have made necessary declarations as provided in section 192 (2) of the aforesaid Companies Act. The interest Register is available for inspection by shareholders, or their authorized representatives as required by section 119 (1) (d) of the Companies Act No. 7 of 2007.

The Company carries out transactions in the ordinary course of business at commercial rates with entities in which a Director of the Company is the Chairman or Director of such entities or holds substantial interest in such entities.

The Directors have no direct or indirect interest in any contract or proposed contact with the Company for the year ended 31 December 2024 other than those disclosed in note 36 to the Financial Statements.

The Directors have declared all material interest in contracts involving the Company and have refrained from voting on matters in which they have a material interest.

⌚ Related Party Transactions

Transactions if any that could be classified as Related Party Transactions in terms of LKAS 24 "Related Party Disclosures" are given in Note 36 to the Financial Statements.

The related party transactions of the Company during the financial year have been reviewed by the Related Party Transactions Review Committee ("RPT – RC") and are in compliance with the Section 09 of the CSE Listing Rules

⌚ Non-Recurrent Related Party Transactions

There were no non-recurrent related party transactions where aggregate value exceeded 10% of the equity or 5% of the total assets of the Company whichever is lower, during the year ended 31 December 2024, which would have required specific disclosures in the Annual Report as required by Listing Rule 9.14.8 (1) of the Colombo Stock Exchange.

⌚ Recurrent Related Party Transactions

There were no recurrent related party transactions, of which aggregate value exceeded 10% of the consolidated revenue of the Group during the year ended 31 December 2024 as per the audited accounts, which would have required additional disclosures in the Annual Report, as required by Listing Rule 9.14.8 (2) of the Colombo Stock Exchange.

⌚ Directors and Chief Executive Officer's Shareholding

The Directors did not hold shares in the Company or its subsidiaries during the financial year under review.

The shareholding of the CEO is given below;

	No. of shares	
	01.01.2024	31.12.2024
Chief Executive Officer	1,824	1,824

⌚ Remuneration and other Benefits of Directors

The remuneration and other benefits received by the Directors are given in Note 7 to the Financial Statements on page 172 as required by Section 168 (1) (f) of the Companies Act.

⌚ Shares and Debentures Stated Capital

The Stated Capital of the Company as at 31 December 2024 was LKR 18,048,600,000/- divided into 1,804,860,000 ordinary shares. There were no changes to the issued capital of the Company during the year under review.

Details of the Company's Stated Capital are set out in Note 32 to the Financial Statements.

Substantial shareholding

The following shareholders held more than 5% of the issued shares as at 31 December 2024.

Secretary to the Treasury (Government of Sri Lanka)	50.23%
Global Telecommunications Holdings N.V. of Netherlands	44.98%

Voting rights

Ordinary shareholders are entitled to receive notice and to attend and speak at any General Meeting of the Company. A shareholder entitled to attend and vote at a General Meeting may appoint a proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.

Every shareholder presents in person or by proxy (or being a corporation present by a duly authorised representative) shall have one vote on a show of hands and one vote for every share held by him on a poll.

Debentures

The Company in April 2018 issued 70,000,000 Senior Unsecured Redeemable Rated 10-year (2018/2028) Debentures as indicated below:

Type of Debentures	Interest rate (per annum)	No. of debentures issued
Type A	12.75% payable annually	20,760,000
Type B	12.75% payable semi-annually	49,240,000

Annual Report of the Board of Directors on the Affairs of the Company

⌚ Minimum Public Holding Requirement

Given that the two controlling shareholders and other Government connected institutions are considered "non-public", the public free float has reduced to 4.78% of the shareholding. The shares of SLT were transferred to the Second Board with effect from 29 October 2021.

In view of the current situation, SLT is evaluating various options available to increase the public float such as private placement and secondary public share offering in order to comply with minimum public holding requirements of section 7.13.1 of the Listing Rules.

⌚ Financial Statements

The Financial Statements of the Group and the Company have been prepared in accordance with Sri Lanka Accounting Standards (SLFRs/LKASs), laid down by the Institute of Chartered Accountants of Sri Lanka and comply with the requirements of the Companies Act No. 7 of 2007.

The significant accounting policies adopted by the Company and its subsidiaries in preparing the Financial Statements are set out on Note 3 to the Financial Statements. These policies, and applicable estimation techniques, have been reviewed by the Directors who have confirmed them to be appropriate for the preparation of the consolidated Financial Statements for 2024.

The aforementioned Financial Statements for the year ended 31 December 2024 certified by the Group Chief Financial Officer and signed by two Directors are given on page 145 of this Report.

A statement by the Directors of their responsibilities for preparing the Financial Statements is included in the Statement of Directors' responsibilities on page 138 while the independent Auditors Report is set out in pages 139 to 142 of this report.

⌚ Financial Results and Appropriations

	2024		2023	
	Company LKR Mn.	Group LKR Mn.	Company LKR Mn.	Group LKR Mn.
Revenue	71,309	111,148	69,711	106,418
Profit/(Loss)	2,113	3,120	(1,132)	(3,921)
Reserves	91,351	88,265	67,904	88,385

Results of the Company and of the Group are given in the Income Statement on page 143.

The movement of the reserves are given in the Statement of Changes in Equity on pages 146 to 147 of the Annual Report.

⌚ Dividends

The Directors recommend the payment of a first and final dividend of Cents 0.25 per share (for the financial year ended 31 December 2024 payable as follows to the shareholders registered as at 27 June 2025 (2023 – no dividend was declared).

- Dividend direct deposit to the Bank accounts registered with the Company by 3 July 2025.
- Dividend cheque posting for those who have not registered bank accounts with the Company by 17 July 2025.

As required by Section 56(2) of the Companies Act No. 7 of 2007, the Directors have signed a Certificate stating that in their opinion the Company based on the information available satisfies the Solvency Test immediately after the distribution is made and has obtained a Certificate from the Auditors in terms of section 57 of the Companies Act.

⌚ Property, Plant and Equipment

The movements in property, plant and equipment during the year are set out in Note 14 to the Financial Statements. Current status of value of properties is disclosed on Pages 213 to 220.

⌚ Auditors

In terms of Article 154 of the Constitution of the Democratic Socialist Republic of Sri Lanka and the National Audit Act, the Auditor General is the Auditors of the Company and its subsidiary companies, for the financial year 2025.

Similarly, in terms of Article 154 (4) of the Constitution of the said Republic of Sri Lanka, M/s Ernst and Young, Chartered Accountants has been appointed to assist the Auditor General to perform the audit of the Financial Statements of SLT.

Fees paid to the auditors are disclosed in note 7 of page 172 to the financial statements. As far as the Directors are aware, the Auditors do not have any interest in the Company or its group companies.

To as the Audit fees payable and fees payable for non-audit services rendered are as follows:

	2024 LKR	2023 LKR
Audit Fees	15	14
Non-Audit Fees	3	5

⌚ Statutory Payments and Compliance with Laws and Regulations

The Directors confirm that to the best of their knowledge all taxes, duties and levies payable by the Company and subsidiaries, all contributions, levies and taxes payable on behalf of and in respect of the employees of the Company and its subsidiaries and all other known statutory dues as were due and payable by the Company and its subsidiaries as at the reporting date have been paid or where relevant provided for in the Financial Statements.

Annual Report of the Board of Directors on the Affairs of the Company

The Company has also ensured that it complied with the applicable laws and regulations including the Listing Rules of the CSE to the extent set out in the Corporate Governance Report and other connected Reports.

🔗 Environmental protection

After making adequate enquiries from management, the Directors are satisfied that the Company and its subsidiaries operate in a manner that minimises the detrimental effects on the environment and provides products and services that have a beneficial effect on the customers and the communities within which the Group operates.

🔗 Employment Policies

The employment policies of SLT cover issues such as diversity, employee well-being and equal opportunities. The Company takes its responsibility towards the physically disabled seriously and does not discriminate any employee or prospective employee based on physical disability. Employees who become disabled during their service at SLT will be retained in employment wherever possible and will be given rehabilitation and training.

The Group companies operate within a framework of Human Resource policies, practices and regulations appropriate to their market sector. Policies and procedures for recruitment, training, career development and the Code of Ethics for Employees promote equality of opportunity regardless of gender, sexual orientation, age, marital status, disability, race, religion or other beliefs and ethnic or national origin. The aim is to encourage a culture in which all employees have the opportunity to develop fully according to their individual abilities and the needs of the Group.

The number of persons employed by SLT and Group is given in note 7.1 on page 172.

🔗 Sustainability Reporting

SLT is conscious of the direct and indirect impact on the environment due to its business activities. The Group endeavours to minimise the adverse effects on the environment and to ensure sustainable continuity of our natural resources. The activities undertaken by the Group in recognition of its responsibility as a corporate citizen are disclosed more fully on pages 58 to 92 of this Report.

🔗 Post Balance Sheet Events

Except for matters disclosed in Note 39 to the Financial Statements, there are no material events as at the date of the Auditors Report which require adjustments to or disclosure in the Financial Statements.

🔗 Going concern

The Directors have reviewed the Company's business plans and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future to justify adopting the going concern basis in preparing the Financial Statements.

🔗 Annual General Meeting (AGM)

The AGM will be held at 10.00 am. on 26 June 2025 at the Sri Lanka Foundation Institute, No 100, Sri Lanka Padanam Mawatha, Independence Square, Colombo 07. The Notice of the Annual General Meeting appears on page 224 of the Annual Report.

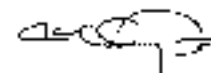
🔗 Acknowledgement of the Content of the Report

As required by section 168 (1) (k) of the Companies Act No. 07 of 2007, the Board of Directors do hereby acknowledge the content of this Annual Report.

By order of the Board
Of Sri Lanka Telecom PLC



Dr Mothilal de Silva
Chairman



Chandrasiri Kalupahana
Director



Mahesh Athukorale
Group Company Secretary

23 May 2025
Colombo

Statement of Directors in Relation to their Responsibility for the Preparation of Financial Statements

The Directors' responsibilities concerning the Financial Statements of Sri Lanka Telecom PLC (SLT) and the Consolidated Financial Statements of SLT and its Subsidiaries (Group) are outlined in this statement.

In accordance with Sections 150 (1), 151, 152, and 153 (1) and (2) of the Companies Act No. 07 of 2007, the Directors of SLT are responsible for ensuring that the Group and SLT maintain proper accounting records of all transactions and prepare Financial Statements that provide a true and fair view of the financial position of SLT and the Group at the end of each financial year. These statements must be presented at the Annual General Meeting.

The Financial Statements include the Statement of Financial Position as of 31 December 2024, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and the accompanying Notes.

Accordingly, the Directors confirm that the Financial Statements of SLT and the Group present a true and fair view of:

- (a) The financial position of SLT and the Group as of the reporting date; and
- (b) The financial performance of SLT and the Group for the financial year ending on the reporting date.

Pursuant to Section 150 (1) (b) and Section 152 (1) (b) of the Companies Act, the Financial Statements of SLT and the Group have been certified by the Chief Financial Officer, the officer responsible for their preparation. Furthermore, as required by Sections 150 (1) (c) and 152 (1) (c) of the Companies Act and other regulatory requirements, the Financial Statements have been signed by two Directors of SLT on 9 May 2025.

Under Section 148 (1) of the Companies Act, the Directors are also responsible for ensuring the maintenance of proper accounting records that accurately record and explain SLT's transactions, facilitating an effective audit of the Financial Statements. To fulfil this responsibility, the Directors have

taken reasonable steps to ensure that SLT and the Group maintain accurate books of accounts and have implemented a financial reporting review system overseen by the Board Audit Committee.

The Board of Directors also approves the Interim Financial Statements before its release to the Colombo Stock Exchange, following a review and recommendation by the Board Audit Committee. The Directors confirm that the Financial Statements for the year 2024, as presented in this Annual Report, comply with the following:

Appropriate accounting policies have been selected and consistently applied, with any material departures disclosed and explained.

All applicable accounting standards have been adhered to.

Judgements and estimates made are reasonable and prudent.

Furthermore, the Directors confirm that the underlying books of accounts conform to the requirements of the Sri Lanka Accounting Standards, the Companies Act No. 07 of 2007, the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, the Listing Rules of the Colombo Stock Exchange, and the Code of Best Practice on Corporate Governance jointly issued by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the Securities and Exchange Commission of Sri Lanka (SEC).

The Directors have also taken reasonable measures to safeguard SLT's and the Group's assets and to prevent and detect fraud and other irregularities. To this end, an effective and comprehensive system of internal controls, including an internal audit function directly reporting to the Audit Committee, has been established.

The Directors believe that the Company has sufficient resources to continue its operations and have therefore applied the going concern basis in preparing these Financial Statements.

The Directors confirm that, to the best of their knowledge, all contributions, taxes, duties, and levies payable by SLT and its subsidiaries, as well as all contributions, levies, and taxes payable on behalf of and in respect of employees of SLT and its subsidiaries, and all other known statutory dues due as of the reporting date, have been either paid or, where applicable, provided for.

By Order of the Board of Directors of Sri Lanka Telecom PLC



Mahesh Athukorale
Group Company Secretary

9 May 2025

Auditor General's Report



ජාතික විගණන කාර්යාලය தேசிய கணக்காய்வு அலுவலகம் NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No. }

TEL/A/SLT/PLC/FS/2024

ඔබේ අංකය
உமது இல.
Your No. }

දිනය
திகதி
Date } 26 May 2025

Chairman

Sri Lanka Telecom PLC

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Sri Lanka Telecom PLC and its subsidiaries for the year ended 31 December 2024 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Opinion

The audit of the financial statements of the Sri Lanka Telecom PLC ("the Company") and the consolidated financial statement of the company and its subsidiaries ("the group") for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. My report to Parliament in pursuance of provisions in Article 154 (6) of

the Constitution will be tabled in due course. To carry out this audit I was assisted by a firm of Chartered Accountants in public practice.

In my opinion, the accompanying financial statements of the Company and the group give a true and fair view of the financial position of the Company and the Group as at 31 December 2024, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

1.2 Basis for Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSS). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. For each matter below, my description of how my audit addressed the matter is provided in that context.

I have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risk of material misstatement of the Financial Statements. The result of my audit procedures, including the procedures performed to address the matters below, prove the basis for my audit opinion on the accompanying Financial Statements.

අංක 306/72, පොල්වෙල පාර, පොල්වෙල, නුගේගොඩ.



+94 11 2 88 70 28 - 34

இல. 306/72, பாலத்தூறு வீதி, பாலத்தூறு, நுகேயாண்டி.



+94 11 2 88 72 23

No. 306/72, Poldewela Road, Poldewella, Nuwara-Eliya.



ag@auditorgeneral.gov.lk



www.naosl.gov.lk

Statement of Directors in Relation to their Responsibility for the Preparation of Financial Statements



Key Audit Matter	How my audit addressed the key audit matter
<p>Revenue recognition of fixed telephony and mobile communication services</p> <p>The Group recognised revenue of LKR 111,148 Mn. from the provision of fixed telephony & mobile communication services for the year ended 31 December 2024 in accordance with accounting policy set out in Note 3 (1) and disclosed in note 6 (a) to the financial statements.</p> <p>Recognition of revenue from the provision of fixed telephony & mobile communication services was a key focus of my audit due to:</p> <ul style="list-style-type: none"> Complexity in revenue recognition as a result of: <ul style="list-style-type: none"> I. Frequent changes in rate structures and arrangements with multiple product features II. Large volume of transactions which arise from sales of different combinations of hardware and services. III. Multiple IT systems which are used to capture, process and record the revenue. Significant judgement exercised by management when determining: <ul style="list-style-type: none"> I. Whether to recognise revenue at a point in time or over a period for revenue arrangements. II. Duration of customer contracts. III. Transaction price and allocating it to bundled products and services 	<p>My audit procedures included the following key procedures;</p> <ul style="list-style-type: none"> Tested the relevant key IT-dependent manual controls and manual controls over the capture and measurement of revenue transactions. Tested the IT General controls and relevant key IT Application Control of IT systems which have a significant impact over revenue recognition. My procedure also included testing the adequacy of controls implemented for security monitoring aspects over selected IT systems related to revenue recognition with the assistance of my internal specialised resources. Performed re-computations and testing end to end reconciliations in relation to capture and measurement of revenue transactions, as relevant. Assessed the reasonableness of significant judgments made by management when determining the timing of revenue recognition, duration of customer contracts and when allocating transaction price to performance obligation, based on the respective terms and conditions of customer contracts. Assessed the adequacy of related disclosures reflected in Note 3 (1) and Note 6 (a) of the Financial Statements.
<p>Carrying Value of Network Assets</p> <p>As at 31 December 2024, the Group's network assets including capital work in progress amounted to LKR 140,841 Mn. and represented 59% of the total assets of the Group.</p> <p>Carrying value of network assets including capital work in progress was a key focus of audit due to:</p> <ul style="list-style-type: none"> Materiality of the reported depreciation on network assets which amounted to LKR 20,459 Mn. for the year ended 31 December 2024. Judgements used by management associated with estimating the useful lives of the networks assets by the Group. It involves the Group's collective assessment of the industry practice, internal technical evaluation and experience with the similar assets in concluding the useful economic life of the network assets. The degree of management assumptions, judgement and estimates associated with the estimated future cash flows used for the value in use calculations of selected network assets. The degree of judgement involved, and assumptions used by management when assessing impairment of amount of capital work-in-progress relevant to network assets. The timing of recognition of commissioned assets from capital work in progress to network assets considering the significant judgements involved and appropriateness of the date from which network assets commenced being depreciated. 	<p>The audit procedures included the following key procedures;</p> <ul style="list-style-type: none"> Obtained an understanding of the Group's process in estimating the useful lives of network assets. Assessed the reasonableness of judgements used by management to estimate the useful lives of network assets to internal technical evaluations and publicly available information. Gained an understanding of how the management has forecasted its discounted cash flows of selected network assets and tested the completeness and accuracy of the underlying data used by the management. Evaluated management's impairment assessment of network assets including the judgements made by the management on: <ol style="list-style-type: none"> The nature and impact of changes on the business strategy and business environment including which specific assets are impacted; and The extent of the impact of these changes on the carrying value of identified network assets. Assessed the reasonableness of management judgements applied and assumptions used in relation to capital work-in-progress of network assets including possible indicators of impairment which were identified by the management for any project related to network assets which have not been commissioned for a prolonged period, based on the knowledge of the business and industry.

Statement of Directors in Relation to their Responsibility for the Preparation of Financial Statements



Key Audit Matter	How my audit addressed the key audit matter
	<ul style="list-style-type: none"> Evaluated the current status of completion of those projects in relation to budgeted project duration and assessed whether amounts related to network assets commissioned for use have been appropriately transferred out of capital work-in-progress and recognised under the relevant class of property, plant & equipment, on a timely basis, through discussion with the respective project managers and inspection of relevant documentation. Determined the appropriateness of capitalisation of cost for network assets during the year. Assessed the adequacy of related disclosures reflected in Note 3 (d) and Note 14 of the Financial Statements.
Interest Bearing Loans and Borrowings As at the reporting date, the Group reported total interest – bearing loans and borrowings of LKR 71,725 Mn. of which LKR 14,365 Mn. was reported as current liabilities and the balance LKR 57,360 Mn. as non-current liabilities, as disclosed in Notes 3(c) (ii), 4.2,8 and 24 to the Group Financial Statements. Interest – bearing loans and borrowings was a key audit matter due to: <ul style="list-style-type: none"> The materiality of the interest – bearing loans and borrowings balance which represented 49% of the Group's total liabilities as at the reporting date. 	The audit procedures included the following key procedures: <ul style="list-style-type: none"> Obtained an understanding of the terms and conditions attached to existing interest bearing loans and borrowings by perusing the loan agreements, facility letters and other contractual documents. Obtained confirmations for the outstanding amounts as at the reporting date. Obtained management's assessment of future cash flows and its plans to meet debt service obligations as per existing contractual arrangements and evaluated the reasonableness of significant judgements and assumptions made by management. The adequacy of related disclosures reflected in Notes 3 (c) (ii), 4.2,8 and 24 to the consolidated Financial Statements also assessed

1.4 Other information included in the Company's 2024 Annual Report

Other information consists of the information included in the Company's 2024 Annual Report, other than the financial statements and my auditor's report thereon. Management is responsible for the other information.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it became available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have

performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

1.5 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Company and the Group are required to maintain proper books and records of all their income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Group.

Statement of Directors in Relation to their Responsibility for the Preparation of Financial Statements

1.6 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards 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 Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, 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 my 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.
- 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 internal controls of the Company's and Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's 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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group's to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 and Companies Act, No. 7 of 2007 include specific provisions for following requirements.

2.1.1 I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Company as per the requirement of section 163 (2) (d) of the Companies Act, No. 7 of 2007 and section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The Financial Statements of the Company comply with the requirement of section 151 (2) of the Companies Act, No. 07 of 2007.

2.1.3 The Financial Statements presented is consistent with the preceding year as per the requirement of section 6 (i) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.4 The Financial Statements presented includes all the material recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018;

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

2.2.1 to state that any member of the governing body of the Company has any direct or indirect interest in any contract entered into by the Company which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018;

2.2.2 to state that the Company has not complied with any applicable written law, general and special directions issued by the governing body of the Company as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018.

2.2.3 to state that the Company has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018.

2.2.4 to state that the resources of the Company had not been procured and utilised economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.



G H G Dharmapala
Actg. Auditor General

Statement of Profit or Loss and Other Comprehensive Income

(All amounts in Sri Lanka Rupees million)

For the year ended 31 December	Notes	Group		Company	
		2024	2023	2024	2023
Revenue	6	111,148	106,418	71,309	69,711
Direct costs	7	(65,009)	(67,840)	(39,941)	(41,256)
Gross profit		46,139	38,578	31,368	28,455
Sales and marketing costs	7	(10,940)	(11,100)	(6,370)	(5,589)
Administrative costs	7	(24,010)	(23,376)	(17,709)	(17,785)
Operating profit		11,189	4,102	7,289	5,081
Other income		1,850	2,079	1,841	2,074
Dividend income		190	71	190	71
Finance costs	8	(8,979)	(11,292)	(6,977)	(9,772)
Foreign exchange gain/(loss)	9	699	629	(136)	(420)
Interest income	10	1,087	1,685	812	1,280
Share of profit from associates company	18.2	1	75	1	75
Profit/(loss) before tax for the year		6,037	(2,651)	3,020	(1,611)
Income tax (expenses)/reversals	11	(2,917)	(1,270)	(907)	479
Profit/(loss) for the year		3,120	(3,921)	2,113	(1,132)
Other comprehensive income					
Other comprehensive income that will not be reclassified to profit or loss in subsequent period					
Net change in fair value of financial assets		1	—	—	—
Defined benefit plan actuarial gain	29	222	384	322	295
Tax on other comprehensive income	11	35	(41)	(97)	(118)
Other comprehensive income for the year net of tax		258	343	225	177
Total comprehensive income for the year		3,378	(3,578)	2,338	(955)
Profit/loss attributable to:					
Owners of the Company		3,116	(3,925)	2,113	(1,132)
Non-controlling interest		4	4	—	—
		3,120	(3,921)	2,113	(1,132)
Total comprehensive income attributable to:					
Owners of the Company		3,374	(3,582)	2,338	(955)
Non-controlling interest		4	4	—	—
		3,378	(3,578)	2,338	(955)
Earnings per share (LKR)					
— Basic	13	1.73	(2.17)	1.17	(0.63)

The Notes on pages 149 to 208 form an integral part of these Financial Statements.

Statement of Financial Position

(All amounts in Sri Lanka Rupees million)

As at 31 December	Notes	Group		Company	
		2024	2023	2024	2023
Assets					
Non-current assets					
Property, plant and equipment	14	172,637	174,466	127,935	135,865
Investment properties	15	946	–	3,044	–
Right-of-use asset	16	5,360	5,761	223	813
Intangible assets and Goodwill	17	10,606	10,364	2,860	3,200
Investments in subsidiaries	18.1	–	–	14,341	14,431
Investments in associates	18.2	515	514	515	514
Deferred tax assets	25	14	365	–	–
Investments in equity shares		3	2	–	–
Contract cost assets	26(a)	1,013	1,091	218	350
Other receivables	20	3,353	3,496	3,353	3,471
Total non-current assets		194,447	196,059	152,489	158,644
Current assets					
Inventories	21	3,143	4,078	2,204	3,240
Trade and other receivables	22	30,733	32,015	21,658	21,650
Current tax receivable		274	181	235	142
Contract cost assets	26(a)	1,150	1,511	132	146
Other investments	19	868	117	830	–
Cash and cash equivalents	23	8,546	12,377	3,347	5,330
Total current assets		44,714	50,279	28,406	30,508
Total assets		239,161	246,338	180,895	189,152
Equity					
Capital and reserves					
Stated capital	32	18,049	18,049	18,049	18,049
Insurance reserve	31	300	300	300	300
Retained earnings		73,002	69,916	51,893	49,555
Equity attributable to equity holders of the Company		91,351	88,265	70,242	67,904
Non-controlling interest		124	120	–	–
Total equity		91,475	88,385	70,242	67,904

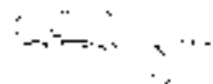
Statement of Financial Position (Contd.)

(All amounts in Sri Lanka Rupees million)

As at 31 December	Notes	Group		Company	
		2024	2023	2024	2023
Liabilities					
Non-current liabilities					
Grants	30	111	—	—	—
Borrowings	24	57,360	36,318	49,500	34,851
Vendor financing	28	7,502	12,770	7,502	12,770
Lease liability	16	3,892	3,617	22	267
Contract liabilities	26(b)	1,671	1,776	1,671	1,776
Deferred income	26	873	1,250	873	1,250
Deferred tax liabilities	25	11,626	9,501	8,586	7,582
Employee benefits	29	6,317	6,117	5,272	5,221
Trade and other payables	27	3,517	5,225	2,528	3,399
Total non-current liabilities		92,869	76,574	75,954	67,116
Current liabilities					
Borrowings	24	14,365	27,456	7,284	19,778
Vendor financing	28	6,536	7,278	2,015	4,178
Lease liability	16	1,982	2,619	295	617
Contract liabilities	26(b)	1,130	1,236	1,018	956
Deferred income	26	2,819	3,677	223	325
Current tax liabilities		83	411	—	—
Trade and other payables	27	27,902	38,702	23,864	28,278
Total current liabilities		54,817	81,379	34,699	54,132
Total liabilities		147,686	157,953	110,653	121,248
Total equity and liabilities		239,161	246,338	180,895	189,152

The Notes on pages 149 to 208 form an integral part of these Financial Statements.

I certify that these Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 07 of 2007.



Sanjeewa Samaranayake
Chief Financial Officer

The Board of Directors is responsible for these Financial Statements. These Financial Statements were approved by the Board of Directors on 9 May 2025.

Signed for and behalf of the Board.



Dr Mothilal De Silva
Chairman



Suren Amarasekara
Director

Consolidated Statement of Changes in Equity – Group

(All amounts in Sri Lanka Rupees million)

	Attributable to owners of the Company					
	Stated capital	Insurance reserve	Retained earnings	Total equity	Non-controlling interest	Total equity
Balance as at 1 January 2023	18,049	300	74,024	92,373	115	92,488
Subsidiary liquidation impact	–	–	157	157	–	157
Non-controlling interest	–	–	–	–	5	5
Total comprehensive income for the year						
Net loss for the year 2023	–	–	(3,921)	(3,921)	–	(3,921)
Other comprehensive income						
Defined benefit plan actuarial gain, net of tax	–	–	343	343	–	343
Total other comprehensive income	–	–	343	343	–	343
Total comprehensive income for the year	–	–	(3,578)	(3,578)	–	(3,578)
Transactions with owners, recorded directly in equity contribution by and distribution to owners						
Dividends to equity shareholders	–	–	(451)	(451)	–	(451)
Balance as at 31 December 2023	18,049	300	70,152	88,501	120	88,621
Prior year depreciation adjustment net of tax	–	–	(236)	(236)	–	(236)
Adjusted balance as at 31 December 2024	18,049	300	69,916	88,265	120	88,385

	Attributable to owners of the Company					
	Stated capital	Insurance reserve	Retained earnings	Total equity	Non-controlling interest	Total equity
Balance as at 1 January 2024	18,049	300	69,916	88,265	120	88,385
Deferred tax and other assets write off after						
– amalgamation of subsidiaries	–	–	(288)	(288)	–	(288)
Non-controlling interest	–	–	–	–	4	4
Total comprehensive income for the year						
Net profit for the year 2024	–	–	3,116	3,116	–	3,116
Other comprehensive income						
Defined benefit plan actuarial gain, net of tax	–	–	258	258	–	258
Total other comprehensive income	–	–	258	258	–	258
Total comprehensive income for the year	–	–	3,374	3,374	–	3,374
Balance as at 31 December 2024	18,049	300	73,002	91,351	124	91,475

The Notes on pages 149 to 208 form an integral part of these Financial Statements.

Consolidated Statement of Changes in Equity – Company

(All amounts in Sri Lanka Rupees million)

	Attributable to owners of the Company			
	Stated capital	Insurance reserve	Retained earnings	Total equity
Balance as at 1 January 2023	18,049	300	51,197	69,546
Total comprehensive income for the year				
Net loss for the year 2023	–	–	(1,132)	(1,132)
Other comprehensive income				
Defined benefit plan actuarial gain, net of tax	–	–	177	177
Total other comprehensive income	–	–	177	177
Total comprehensive income for the year	–	–	(955)	(955)
Transactions with owners, recorded directly in equity contribution by and distribution to owners				
Dividends to equity shareholders	–	–	(451)	(451)
Balance as at 31 December 2023	18,049	300	49,791	68,140
Prior year depreciation adjustment net of tax	–	–	(236)	(236)
Adjusted balance as at 31 December 2023	18,049	300	49,555	67,904

	Attributable to owners of the Company			
	Stated capital	Insurance reserve	Retained earnings	Total equity
Balance as at 1 January 2024	18,049	300	49,555	67,904
Total comprehensive income for the year				
Net profit for the year 2024	–	–	2,113	2,113
Other comprehensive income				
Defined benefit plan actuarial gain, net of tax	–	–	225	225
Total other comprehensive income	–	–	225	225
Total comprehensive income for the year	–	–	2,338	2,338
Balance as at 31 December 2024	18,049	300	51,893	70,242

The Notes on pages 149 to 208 form an integral part of these Financial Statements.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

For the year ended 31 December	Notes	Group		Company	
		2024	2023	2024	2023
Cash flows from operating activities					
Cash generated from operations	33	33,722	33,306	26,586	25,272
Interest received		1,098	1,681	823	1,276
Interest paid		(10,353)	(15,505)	(9,095)	(14,109)
Tax paid		(798)	(1,645)	–	(401)
Gratuity paid	29	(738)	(613)	(573)	(458)
Net cash generated from operating activities		22,931	17,224	17,741	11,580
Cash flows from investing activities					
Acquisition of property, plant and equipment		(23,108)	(32,214)	(12,475)	(25,060)
Acquisition of intangible assets	17	(2,557)	(4,884)	(675)	(700)
Proceeds from disposal of property, plant and equipment		370	540	202	217
Proceeds from short term investments		(762)	3,882	(841)	3,980
Investments in Subsidiary company	18.1	–	–	(60)	–
Proceeds from disposal of subsidiary	12	80	–	–	–
Receipt of government grants	30	138	–	–	–
Net cash used in investing activities		(25,839)	(32,676)	(13,849)	(21,563)
Cash flows from financing activities					
Proceeds from borrowings		63,500	28,179	36,500	14,750
Cash payment for the principle portion of lease liability		(2,827)	(2,488)	(1,001)	(572)
Finance lease principal re-payments		–	(15)	–	(14)
Re-payment of borrowings		(51,454)	(12,945)	(30,461)	(3,924)
Increase/(decrease) in vendor financing and other non-current liabilities		(6,290)	835	(7,686)	(397)
Dividends paid to the equity shareholders		–	(451)	–	(451)
Net cash generated from financing activities		2,929	13,115	(2,648)	9,392
Decrease in cash and cash equivalents		21	(2,337)	1,244	(591)
Movement in cash and cash equivalents					
Cash and cash equivalents beginning of the year		5,058	8,587	(211)	873
Effect on exchange fluctuation on cash and cash equivalents		(690)	(1,192)	(284)	(493)
Increase/(Decrease) in cash and cash equivalents		21	(2,337)	1,244	(591)
At the end of the year	23 (a)	4,389	5,058	749	(211)

The Notes on pages 149 to 208 form an integral part of these Financial Statements.

Notes to the Financial Statements

(All amounts in Sri Lanka Rupees million)

1. Reporting Entity

Sri Lanka Telecom PLC (the "Company") is a company domiciled in Sri Lanka. The address of the Company's registered office is Lotus Road, Colombo 1. The Separate Financial Statements relates to Sri Lanka Telecom PLC. The Consolidated Financial Statements of the Company as at and for the year ended December 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The Financial Statements of all Companies within the Group are prepared for a common financial year which ends on 31 December 2024.

The Group is primarily involved in providing a broad portfolio of telecommunication services across Sri Lanka. In addition, the range of services provided by the Group include, inter-alia, internet services, data services, domestic and international leased circuits, broadband, satellite uplink, maritime transmission, IPTV service, directory publishing and provision of manpower. The Company is a quoted public company which is listed on the Colombo Stock Exchange.

2. Basis of Preparation

(a) Statement of compliance

The Financial Statements of the Group and the Company which comprises the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows have been prepared in accordance with Sri Lanka Accounting Standards (SLFRS and LKAS) as laid down by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the requirements of the Companies Act No. 07 of 2007.

(b) The Financial Statements were authorised for issue by the Board of Directors in accordance with the resolution of the Directors on 9 May 2025.

(c) Basis of measurement

The Financial Statements have been prepared on the historical cost basis applied consistently except for the following item:

The liability for defined benefit obligation recognised is actuarially valued and recognised at the present value of the defined benefit obligation.

(d) Functional and presentation currency

These Financial Statements are presented in Sri Lankan Rupees, which is the Company's functional currency and the Group's presentation currency. All financial information presented in rupees has been rounded to the nearest million, unless otherwise indicated.

(e) Use of estimates and judgements

The preparation of Financial Statements in conformity with Sri Lanka Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements is included in the following notes:

- Note 14 – Property, plant and equipment
- Note 15 – Investment properties
- Note 16 – Right-of-use assets and lease liabilities
- Note 17 – Intangible assets and Goodwill

- Note 22 – Trade and other receivable
- Note 25 – Deferred tax liabilities and assets
- Note 26 – Deferred income
- Note 29 – Employee benefits

(f) Current versus non-current classification

The Group presents assets and liabilities in the Statement of Financial Position based on current/non-current classification.

An asset is current when it is:

- Expected to be released or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within 12 months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period
- The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification
- The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(g) Going concern

The Directors have made an assessment of the Group's ability to continue as a going concern and is satisfied it has the resources to continue in business for the foreseeable future. The Directors have considered the impact of the present macro-economic conditions in making the going concern assessment.

In determining the above, significant management judgement, estimates and assumptions and all other relevant factors have been considered as of the reporting date and specific considerations have been disclosed under the notes, as relevant.

Accordingly, these Financial Statements are prepared on going concern basis.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in Financial Statements, and have been applied consistently by the Group entities, except amendments to existing accounting standards which are effective from 1 January 2025 as described in Note 3 (y).

(a) Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain or bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in Statement of Profit or Loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in Statement of 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 recognised in Statement of 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 acquire 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 cash-generating unit retained.

(ii) Subsidiaries

Subsidiaries are entities that are controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary.

(ii – a) Critical judgements in applying the entity's accounting policies

The Directors have concluded that the Group controls all subsidiaries as it has majority control and voting rights over its subsidiaries as depicted in Note (ii-b).

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(ii - b) Interest in subsidiaries

Set out below are the Group's principal subsidiaries as at 31 December 2024.

Name of entity	Place of business/country of incorporation	Percentage of ownership interest held by the Group	Principal activities
Mobitel (Private) Limited	Colombo/Sri Lanka	100%	Mobile telecommunication services
Sri Lanka Telecom (Services) Limited	Colombo/Sri Lanka	99.99%	Total network solutions, IPTV support services, directory information and digital services
SLT Human Capital Solutions (Pvt) Ltd.	Colombo/Sri Lanka	100%	Ceased operations
SLT Property Management (Pvt) Ltd.	Colombo/Sri Lanka	100%	Managing SLT's real estate resources
Xyntac Singapore PTE LTD	Singapore	100%	Telecommunication network operations
eChannelling PLC	Colombo/Sri Lanka	87.59%	Digital lifestyle solutions for healthcare and other industries
Mobit Technologies (Pvt) Ltd.	Colombo/Sri Lanka	100.00%	Ceased operations and is under liquidation

Note (a) – SLT VisionCom (Pvt) Ltd. and SLT Digital Info Services (Pvt) Ltd. has been amalgamated with Sri Lanka Telecom (Services) Limited w.e.f 1 April 2024.

Note (b) – On 29 August 2024 the Company sold 100% of its investments in Talentfort (Pvt) Ltd.

(iii) Equity – accounted investees (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 unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control is similar to those necessary to determine control over subsidiaries. The Group's investments in its associates 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.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in other comprehensive Income of those investees is presented as part of the Group's other comprehensive Income. 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 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 statement of profit or loss 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 as "share of profit or loss of equity accounted investees" in the statement of profit or loss.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

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 the 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 the statement of profit or loss.

(iv) Non controlling interest (NCI)

NCI are measured at their proportionate share of acquiree's identifiable net assets at the date of acquisition. Changes in the Group interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(v) Loss of control

When the Group loses control over a subsidiary, it derecognises the asset and liabilities of the subsidiary and any related NCI (if applicable) and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest in the former subsidiary is measured at fair value when control is lost.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in statement of profit or loss and other comprehensive income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

(c) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

(i) Financial assets

(i-i) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, Fair Value Through Other Comprehensive Income (FVTOCI) and Fair Value Through Profit or Loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures 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. Trade receivables that do not contain a significant financing component or for

which the Group has applied the practical expedient are measured at the transaction price as disclosed in Note (I) – Revenue from contracts with customers.

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. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets 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. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. 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.

(i-ii) 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

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both 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 rate (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 financial assets at amortised cost include trade and other receivables, amounts due from related parties and cash and cash equivalents.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, 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.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group 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 LKAS 32 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 statement of profit or loss when the right of payment has been established, except when the Group 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.

This category includes listed and non listed equity instruments that the Group elected to classify irrevocably.

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, including separated embedded derivatives, are also 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. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

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 statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

(i-iii) Fair value measurement

SLFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transactions between market participants at the measurement date.

A fair value measurement requires an entity to determine all the following;

1. The particular asset or liability that is the subject of the measurement.
2. For a non-financial asset, the valuation premise that is appropriate for the measurement (consistently with its highest and best use).
3. The principal (or most advantageous) market for the asset or liability.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

4. The valuation technique(s) appropriate for the measurement, considering the availability of data with which to develop inputs that represent the assumptions that market participants would use when pricing the asset or liability and the level of the fair value hierarchy within which the inputs are categorised.
5. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market.

When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognised in profit or loss on an appropriate basis over the life of the instrument but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

Determination of fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumption and other risks affecting the specific instrument.

- **Level 1** – fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2** – fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- **Level 3** – fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

(i-iv) Amortised cost

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

(i-v) Impairment

Non-derivative financial assets

Financial assets not classified at fair value through profit or loss, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes;

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

For trade receivables and Contract cost assets, the Group applies a simplified approach in calculating Expected Credit Losses (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 debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. 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.

Investments in fixed deposits, Treasury Bills and Bonds are considered as low risk of default.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i-vi) Hedge

For designated and qualifying cash flow hedges, the effective portion of the gain or loss on the hedging instrument is initially recognised directly in equity in the "cash flow hedge reserve". The ineffective portion of the gains or losses on the hedge instrument is recognised immediately in the profit and loss.

When the hedge cash flow affect the Income Statement, the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Income Statement. When a hedging instrument expires, or is sold, terminated, exercised or when a hedge no longer meet the criteria for hedge accounting, any cumulative gains/losses existing in other comprehensive income at that time remains in other comprehensive income and is recognised in the income statement. When a forecast transaction is no longer expected to occur the cumulative gains/loss was reported in other comprehensive income is immediately transferred to the income statement.

(ii) Financial liabilities

(ii-i) 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 appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings, vendor financing and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, vendor financing, lease liabilities, contract liabilities and deferred income.

(ii-ii) Subsequent measurement

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings and vendor financing are subsequently measured at amortised cost using the EIR method, after considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised. EIR amortisation is included as finance costs in the statement of profit or loss.

(ii-iii) 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 the statement of profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement 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.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour and

any other costs directly attributable to bringing the assets to a working condition for their intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. In the year of acquisition depreciation is computed on proportionate basis from the month the asset is put into use and no depreciation will be charged to the month in which the particular asset was disposed. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

The estimated useful lives for the assets are as follows:

Freehold buildings	5 – 40 years
Submarine cables	10 – 25 years
Motor vehicles	5 years
PABX system	1 – 6 years
IT systems	5 – 10 years
Other fixed assets	2 – 12.5 years
Network equipment	
Ducts, cables and other outside plant	2 – 20 years
Telephone exchanges and transmission equipment	5 – 12.5 years
Towers	40 years

(iv) Capital work-in-progress

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any. These are expenses of a capital nature directly incurred in the construction of buildings, network equipment, system development and other fixed assets, awaiting capitalisation.

Major spare parts and project related inventory qualify as property, plant and equipment when the entity expects to use them during more than one year period and are used in connection with specific items of property, plant and equipment.

(v) Derecognition

The carrying amount of an item of property, plant & equipment is derecognised on disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" in the statement of profit or loss and other comprehensive Income.

When replacement costs are recognised in the carrying amount of an item of property, plant and equipment, the remaining carrying amount of the replaced part is derecognised. Major inspection costs are capitalised. At each such capitalisation, the remaining carrying amount of the previous cost of inspections is derecognised.

(vi) Borrowing cost

Borrowing cost directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(e) Investment properties

(i) Initial recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. The Company adopts "cost model" to measure investment property. Investment property is measured at cost on initial recognition.

(ii) Subsequent measurement

Subsequent to initial recognition, Investment properties are carried at its cost less any accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use.

(iii) Depreciation

Depreciation is recognised on a straight-line basis over the estimated useful life of the investment property. The estimated useful life of investment property of the Group is as follows.

Freehold buildings	05 – 40 years
--------------------	---------------

(iv) Derecognition

Investment property is derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

(f) Intangible assets

(i) Goodwill

Goodwill arises on the acquisition of subsidiaries.

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For measurement of goodwill at initial recognition, see Note 3 (a) (i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(iii) Licences

Separately acquired licenses are shown at historical cost. Expenditures on license fees that is deemed to benefit or relate to more than one financial year is classified as license fee and is being amortised over the License period on a straight line basis.

(iv) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill is recognised in profit or loss as incurred.

The estimated useful lives for the intangible assets are as follows:

Licences	2 – 10 years
Software	1 – 10 years
Others	5 years

(g) Right-of-use assets and lease liabilities

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.

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 assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any

remeasurement of lease liabilities. The cost of right-of-use 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. Right-of-use 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:

Leased assets	Estimated useful lives
Buildings	2 – 5 years
Towers	2 – 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment as more fully described in Note (v) (ii) – Impairment of Assets.

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, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group 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 are recognised as expenses (unless they are incurred to produce inventories) 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, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in right-of-use assets and lease liabilities in Note 16 to the Financial Statements.

Leases of low-value assets

The Group applies the lease of low-value assets recognition exemption to leases of some tower rentals that are considered to be low value. Lease payments on leases of low-value assets are recognised as expenses on 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.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost principle. Value of inventories includes expenditure incurred in acquiring, conversion costs and other costs incurred in bringing them to their existing location and condition.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(i) Share capital

Ordinary share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(j) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual installments.

(k) Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which contributions are made into a separate fund and the entity will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plan are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Employees' Provident Fund

All employees of the Company are members of the Sri Lanka Telecom Provident Fund to which the Company contributes 15% of such employees' basic salary and allowances.

All employees of subsidiaries of the Group are members of Employees' Provident Fund (EPF), to which the respective subsidiaries contribute 12% of such employees' basic salary and allowances.

Employees' Trust Fund

The Company and other subsidiaries contribute 3% of the salary of each employee to the Employees' Trust Fund.

(ii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The defined benefit is calculated by an independent actuary using Projected Unit Credit method as recommended by LKAS 19 "Employee Benefits". The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the yield on Government Bonds at the reporting date and have maturity dates approximating to the terms of the Company's obligations.

The Group recognises actuarial gains and losses that arise in calculating the Group's obligation in respect of a plan in other comprehensive income.

The present value of the defined benefit obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Key assumptions used in determining the defined retirement benefit obligations are given in Note 29. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

Provision has been made for retirement gratuities from the first year of service for all employees, in conformity with LKAS 19 "Employee Benefits". However, under the Payment of Gratuity Act No.12 of 1983, the liability to an employee arises only on completion of five years of continued service.

(iii) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(iv) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or leave encashment plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(l) Revenue from contracts with customers

The Group is primarily involved in providing a broad portfolio of telecommunication services across Sri Lanka. In addition, the range of services provided by the Group include, inter alia, voice and broadband services, domestic and international leased circuits, broadband, satellite up-link, maritime transmission, IPTV service, directory publishing service and educational 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. The Group has generally concluded that it is the principal in its revenue arrangements.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(i) Performance obligations relevant to contracts

As a telecommunication service provider, the Group's performance obligation related to service contracts include the installation services and maintenance services provided and the uninterrupted telecommunication service which will be provided throughout the connection period.

The Group expects that above performance obligations would be satisfied throughout the connection period.

Domestic and international call revenue and rental income

Fixed lines

Revenue for call time usage by customers is recognised as revenue as services are performed on accrual basis. Fixed rental is recognised as income on a monthly basis in relation to the period of services rendered.

Mobile Revenue

Mobile revenue comprises amounts charged to customers in respect of monthly access charges, airtime usage, messaging, and the provision of other mobile telecommunications services. Mobile monthly access charges are invoiced and recorded as part of a periodic billing cycle. Air time, either from contract customers as part of the invoiced amount or from prepaid customers through the sale of prepaid cards, is recorded in the period in which the customer uses the service.

Revenue from other network operators and international settlements

The revenue received from other network operators, local and international, for the use of the Group's telecommunication network are recognised, net of taxes, based on usage taking the traffic minutes/per second rates stipulated in the relevant agreements and regulations and based on the terms of the lease agreements for fixed rentals.

Revenue arising from the interconnection of voice and data traffic between other telecommunications operators is recognised at the time of transit across the Group's

network and presented on gross basis.

The relevant revenue accrued is recognised under income in the Income Statement and interconnection expenses recognised under operating costs in profit or loss.

Revenue from broadband

Revenue from Data services and IPTV services is recognised on usage and the fixed rental on a monthly basis when it is earned net of taxes, rebates and discounts.

Revenue from other ICT services

The revenue from other telephone services are recognised on an accrual basis based on fixed rental contracts entered between the Group and subscribers.

Recognition of deferred income

The connection fees relating to Public Switch Telephone Network (PSTN) are deferred over a period of 12.5 year LKR Revenue is recognised on an annual basis irrespective of the date of connection.

IRU revenue relating to leasing of SEA-ME-WE 4 cable capacity are recognised on a straight line basis over the period of the contracts. Amounts received in advance for any services are recorded as deferred revenue. In the event that a customer terminates an IRU prior to the expiry of the contract and releases the Company from the obligation to provide future services, the remaining unamortised deferred revenue is recognised in the period the contract is terminated.

Backhauling revenue which is leasing of SEA-ME-WE 3 cable capacity is recognised on a straight line basis over the period of contracts. Amounts received in advance for any services are recorded as deferred revenue.

Revenue from the sale of prepaid CDMA cards is deferred until such time as the customer uses the call time, downloadable quota or the credit expires.

Sale of mobile recharge cards and reloads for prepaid subscribers are initially recognised as deferred revenue until such time as the subscribers use the services or credit period expires.

(ii) New connection fees

The Group provides installation services relevant to the new connections of fixed and mobile telecommunication services including both voice and non-voice categories. These installation services are bundled together with providing of Customer Premises Equipment (CPE) to customers in fixed line voice and some non-voice services. When the performance obligations relevant to such installation services are performed, CPEs provided to customers are considered as assets of the Group as long as the contracts with customers are valid. Accordingly, the Group allocates a bundled price for the equipment and installation services for such facilities.

(iii) Recognition of contract liabilities

The Group concluded that revenue from new connections in fixed and mobile telecommunication services is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group. The fact that another entity would not need to reperform the installation of the service that the Group has provided to date demonstrates that the customer simultaneously receives and consumes the benefits of the Group's performance as it performs.

The Group identifies the revenue for installation services as a contract liability and recognises the revenue on a systematic basis that is consistent with the entity's transfer of the related goods or services to the customer since satisfaction for the installation services will be consumed by the customer over the contract period.

(iv) Costs incurred in securing customer contracts

The Group identifies the sales commission paid to sales team for each new connection contract and other such related costs in contract acquisition as costs incurred in securing customer contracts.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(v) Recognition of contract cost assets

Contract acquisition costs are recognised as a Contract cost assets and subsequently recognised as an expense over the life of a contract on a systematic basis consistent with the pattern of the transfer of services to which the asset relates, that is; as and when the relevant performance obligation is fulfilled for a given month.

(m) Expenditure

The expenses are recognised on an accrual basis. All expenses incurred in the ordinary course of business and in maintaining property, plant and equipment in a state of efficiency is charged against income in arriving at the profit for the year.

(n) Lease payments

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed. Determining whether an arrangement contains a lease.

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfillment of the arrangement is dependent on the use of that specific asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

(o) Finance income and expenses

The Group's finance income and finance cost include:

- Interest income from repurchase agreements
- Interest income from fixed deposits
- Staff loan interest income

- Interest expense from borrowings
- Interest expense arising from leases
- Foreign exchange gains or losses

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(p) Income tax

Current income tax assets are measured at amount to be recovered from or paid to the taxation authorities.

(i) Current taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised or profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or other comprehensive income.

Provisions for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and the amendments thereto.

(ii) Deferred taxation

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences;

- The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and differences relating to investments in nor taxable profit or loss and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.
- Deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax is not recognised for the undistributed profits of subsidiaries as the Parent Company has control over the dividend policy of its subsidiaries and distribution of those profits. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax relating to items recognised outside profit or loss, is recognised either in other comprehensive income or directly in Statement of Changes in Equity in line with the underlying transaction.

(iii) Social Security Contribution Levy (SSCL)

According to the Social Security Contribution Levy Act No. 25 of 2022, Sri Lanka Telecom PLC is liable for Social Security Contribution Levy at 2.5% on the liable turnover arising from providing of a service with effect from 1 October 2022.

(iv) Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax, except: where sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of expense item as applicable.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(v) Uncertainty over income tax

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgment in identifying uncertainties over income tax treatments and it assessed whether the interpretation had an impact on its consolidated Financial Statements.

If the Group concludes that it is probable that the taxation authority will accept the tax treatment used or planned to be used in its tax filings, the entity determines its tax position on that basis. This is consistent with the requirement that current tax is measured at the amount expected to be paid or recovered from the taxation authorities, and that deferred tax is measured using the rates and tax laws expected to apply when the related asset is realised or liability is settled.

If the Group concludes that acceptance of the uncertain tax treatment by the taxation authorities is not probable, it would apply one of the following two methods for reflecting the effect of uncertainty in its estimate of the amount it expects to pay or recover from the tax authorities

- (a) the most likely amount – the single most likely amount in a range of possible outcomes; or
- (b) the expected value – the sum of the probability-weighted amounts in a range of possible outcomes.

The Group uses the method that it expects to better predict the resolution of the uncertainty.

(q) Earnings Per Share

The Group presents basic Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(r) Insurance reserve

SLT has Property All Risk Insurance for targeted assets of the SLT at island wide locations. In order to cover the exposure of remaining assets and possible further exposure LKR 300 Mn. has been retained in the insurance reserve. There are no further contributions to the insurance fund due to the reason of annual renewal of Property All Risk policy of SLT.

(s) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Provision for final dividends is recognised at the time the dividend recommended and declared by the Board of Directors, is approved by the shareholders.

(t) Comparatives

Except when a standard permits or requires otherwise, comparative information is disclosed in respect of the previous period. Where the presentation or classification of items in the Financial Statements are amended, comparative amounts are reclassified unless it is impracticable.

(u) Statement of cash flows

The Statement of Cash Flows has been prepared using the "indirect method" of preparing cash flows in accordance with the Sri Lanka Accounting Standard (LKAS 07) – "Statement of Cash Flows". Cash and Cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value. The cash and cash equivalent include cash in hand, balances with banks, placements with banks, money at call and short notice.

(v) Critical accounting estimates, assumptions and judgements

In the preparation of these Financial Statements, a number of estimates and assumptions have been made relating to the performance and the financial position of the Group. Results may differ significantly from those estimates under different assumptions and conditions. The Directors consider that the following discussion addresses the Company's most critical accounting policies, which are those that are most important to the presentation of its financial performance and position. These particular policies require subjective and complex judgements, often as a result of the need to make estimates about the effect of matters that are uncertain.

(i) Depreciation of property, plant and equipment

The Company assigns useful lives and residual values to property, plant and equipment based on periodic studies of actual asset lives and the intended use for those assets. Changes in circumstances such as technological advances, prospective economic utilisation and physical condition of the assets concerned could result in the actual useful lives or residual values differing from initial estimates.

Where the Company determines that the useful life of property, plant and equipment should be shortened or residual value reduced, it depreciates the net carrying amount in excess of the residual value over the revised remaining useful life, thereby increasing depreciation expense. Any change in an asset's life or residual value is reflected in the Company's financial statements when the change in estimate is determined.

(ii) Impairment of property, plant and equipment and intangible assets

The Company assesses the impairment of property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable or otherwise

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

as required by accounting standards. Factors that are considered important and which could trigger an impairment review include the following;

- (a) obsolescence or physical damage;
- (b) significant changes in technology and regulatory environments;
- (c) significant underperformance relative to expected historical or projected future operating results;
- (d) significant changes in the use of its assets or the strategy for its overall business;

The identification of impairment indicators, the estimation of future cash flows and the determination of the recoverable amount for assets or cash generating units require significant judgement.

(iii) Revenue recognition

Judgement is required in assessing the application of the principles of revenue recognition in respect of revenues. This includes presentation of revenue as principal or as agent in respect of income received from transmission of content provided by third parties.

(iv) Valuation of receivables

The provision for impairment losses for trade and other receivables reflects the Company's estimates of losses arising from the failure or inability of customers to make required payments. The provision is based on the ageing of customer accounts, customer credit-worthiness and the Company's historical write-off experience etc. Changes to the provision may be required if the financial condition of its customers improves or deteriorates. An improvement in financial condition may result in lower actual write-offs.

(v) Inventories

The Company assesses the inventory provision whenever events or changes in circumstances indicate that the carrying value may not be recoverable or otherwise as required by accounting standards. Factors

that are considered important and which could trigger an impairment review include the following;

- (a) obsolescence or physical damage;
- (b) significant changes in technology and regulatory environments;
- (c) significant changes in the use of its assets or the strategy for its overall business;

(vi) Current tax and deferred tax

Judgement was required to determine the total provision for current, deferred and other taxes due to uncertainties that exist with respect to the interpretation of the applicability of tax law at the time of the preparation of these Financial Statements.

Certain uncertainties exist with respect to the interpretation of tax regulations and the amount and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. Where the final tax outcome of such matters is different from the amounts that were initially recorded, such differences will impact the income and deferred tax amounts in the period in which the determination is made.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

(vii) Leases-estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available or

when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs such as market interest rates when available and is required to make certain entity-specific estimates as well.

(viii) Revenue recognition from contracts with customers

Judgement is required in assessing the application of the principles of revenue recognition in respect of revenues. Certain contracts with customers are bundled packages that may include sale of products and telecommunications services that comprise voice, data, and other telecommunications services. The Group accounts for individual products and services separately as separate performance obligations if they are distinct promised goods and services. The Group exercises judgements in determining whether a product is distinct, that is, if such product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it separately. This determination will affect the allocation of consideration specified in the contract and the revenue recognised for each performance obligation.

(w) Amendments to existing accounting standards

The Group applied all the existing accounting standards up to 31 December 2024 in preparing these financial statements, which are effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(x) Restatement of prior year balances

Prior year (2023) depreciation amounting to LKR 337 Mn. and related deferred tax impact of LKR 101 Mn. adjusted in the retained earnings, Property, plant and equipment (PPE) and deferred tax liability of the Company and Group.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

The adjustment has been made by restating each of the affected financial statement line items for the prior period, as follows:

Impact on retained earnings [increase/(decrease)]	Group			Company		
	Year 2023 before adjustment	Adjustment	Year 2023 after adjustment	Year 2023 before adjustment	Adjustment	Year 2023 after adjustment
Property, plant and equipment	174,803	(337)	174,466	136,202	(337)	135,865
Deferred tax liability	(9,602)	101	(9,501)	(7,683)	101	(7,582)
Net impact on retained earnings		(236)			(236)	

(y) Standards issued but not yet effective

Lack of exchangeability: Amendments to LKAS 21

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its Financial Statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's Financial Statement.

4. Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and

adherence to limits. Risk management systems are reviewed regularly to reflect changes in market conditions and the group activities.

The Audit Committee oversees how management monitors compliance with the Group's risk management processes/ guidelines and procedures, and reviews the adequacy of the risk management framework in relation to the risks. The Audit Committee is assisted in its oversight role by internal reviews of risk management controls and procedures. The results of which are reported to the Audit Committee.

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk, liquidity risk and market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

4.1. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation, and arise principally from the Group's receivables from customers.

Carrying amount of financial assets represents the maximum credit exposure.

4.1.1 Trade receivables

To mitigate credit risk, the Group maintains a well-defined credit policy for both domestic and international interconnect customers. A dedicated committee continues to assess and recommend the creditworthiness of international interconnect customers, ensuring a structured approach to risk management. Additionally, prepaid sales remain a key strategy to minimise credit exposure.

For domestic services, new customers undergo screening through an internal blacklist database before service activation. The Group enforces a robust credit control policy and processes to manage credit risk effectively. Customers are categorised into segments, with credit limits determined based on their average monthly bill value. Usage and payment patterns are closely monitored against these limits, which are periodically adjusted in line with past billing trends.

To further mitigate risk, high-risk voice customers are automatically disconnected upon reaching their threshold limits. Proactive credit control measures, including timely recovery actions, are implemented to manage overdue and defaulted accounts. Corporate and high-revenue customers receive individual monitoring to ensure effective credit risk management.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

As at 31 December, the maximum exposure to credit risk for trade by geographic region was as follows:

	Group		Company	
	2024	2023	2024	2023
Sri Lanka	23,520	24,343	17,213	18,292
Middle east	280	230	113	149
Asia	1,595	1,978	1,251	1,605
Europe	1,051	1,704	822	945
Australia	156	205	138	195
Other	911	32	109	4
Total trade receivables	27,513	28,492	19,646	21,190

As at 31 December, the maximum exposure to credit risk for trade receivables by type of counterparty was as follows:

	Group		Company	
	2024	2023	2024	2023
Wholesale customers	6,140	8,785	4,859	4,792
Retail customers	12,667	12,766	9,759	10,426
Others	8,706	6,941	5,028	5,972
	27,513	28,492	19,646	21,190

As at 31 December the Group's most significant customer was Hutchison Telecommunication Lanka (Pvt) Ltd. which accounted for LKR 1,007 Mn. of trade receivables (2023 – LKR 654 Mn.).

As at 31 December 2024, the aging of trade receivables was as follows:

	Group		Company	
	2024	2023	2024	2023
Past due one year	1,002	1,430	998	1,411
Past due two years and above	737	660	650	648
	1,739	2,090	1,648	2,059

Management believes that the past due more than one year are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables during the year is as follows :

	Group impairment	Company impairment
Balance as at 1 January 2023	8,642	5,870
– Impairment loss recognised	1,773	1,424
– Amounts written off	(2,374)	(2,208)
Balance as at 1 January 2024	8,041	5,086
– Impairment loss recognised	1,860	1,463
– Amounts written off	(2,595)	(1,936)
Balance as at 31 December 2024	7,306	4,613

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

4.1.2 Other investments

The Group limits its exposure to credit risk by investing only in Government Debt Securities, Repos and in short-term deposits with selected bankers with Board approval.

4.1.3 Cash and cash equivalents

The Group held cash and cash equivalents of LKR 8,546 Mn. as at 31 December 2024 (2023 LKR 12,377 Mn.)

4.1.4 Employee loans

The Group limits its exposure to credit risk by ensuring the loan balance are recovered from the employees monthly salary, or if the employee leaves such amounts are recovered from the employees EPF balance.

4.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures its liquidity is maintained by investing in short, medium and long-term financial instruments to support operational and other funding requirements. The Group determines its liquidity requirements by the use of both short and long-term

cash forecasts. These forecasts are supplemented by a financial headroom analysis which is used to assess funding adequacy for at least a 12-month period and the same is reviewed on an annual basis.

Short and medium-term requirements are regularly reviewed and managed by the Treasury Division.

SLT PLC has provided a corporate guarantee of LKR 200 Mn. (2023 – LKR 200 Mn.) for Mobitel (Private) Limited for Term Loan granted by Mobitel (Private) Limited to Sri Lanka Telecom (Services) Ltd.

SLT PLC has provided a corporate guarantee of USD 2.6 Mn. (2023 – Nil) for Bank of Ceylon for LC facility granted by Bank of Ceylon to SLT VisionCom (Pvt) Ltd. SLT VisionCom (Pvt) Ltd. is amalgamated with Sri Lanka Telecom (Services) Ltd. w.e.f. 1 April 2024.

Group	Notes	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
As at 31 December 2024						
Bank overdrafts		4,157	4,157	–	–	–
Bank borrowings and others		67,568	10,208	3,674	22,113	31,573
Vendor finance		14,038	6,536	1,567	4,863	1,072
Lease liability		5,874	1,982	973	1,553	1,366
Trade and other payables due within one year	4.2.1	27,902	27,902	–	–	–
Trade and other payables due after one year	4.2.2	3,517	249	1,496	473	1,299
		123,056	51,034	7,710	29,002	35,310
As at 31 December 2023						
Bank overdrafts		7,319	7,319	–	–	–
Bank borrowings and others		56,455	20,137	7,509	19,647	9,162
Vendor finance		20,048	7,278	3,247	6,045	3,478
Lease liability		6,236	2,619	763	1,290	1,564
Trade and other payables due within one year	4.2.3	38,702	38,702	–	–	–
Trade and other payables due after one year	4.2.4	5,225	353	1,827	1,608	1,437
		133,985	76,408	13,346	28,590	15,641

Company	Notes	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
As at 31 December 2024						
Bank overdrafts		2,598	2,598	–	–	–
Bank borrowings and others		54,186	4,686	1,466	16,461	31,573
Vendor finance		9,517	2,015	1,567	4,863	1,072
Lease liability		317	295	22	–	–
Trade and other payables due within one year	4.2.5	23,864	23,864	–	–	–
Trade and other payables due after one year	4.2.6	2,528	249	1,496	473	310
		93,010	33,707	4,551	21,797	32,955

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Company	Notes	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
As at 31 December 2023						
Bank overdrafts		5,541	5,541	–	–	–
Bank borrowings and others		49,088	14,237	7,109	18,580	9,162
Vendor finance		16,948	4,178	3,247	6,045	3,478
Lease liability		884	617	252	15	–
Trade and other payables due within one year	4.2.7	28,278	28,278	–	–	–
Trade and other payables due after one year	4.2.8	3,399	353	936	1,608	502
		104,138	53,204	11,544	26,248	13,142

4.2.1 Trade and other payables due within one year – Group

As at 31 December 2024	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
Domestic trade payables	7,603	7,603	–	–	–
Foreign trade payables	3,613	3,613	–	–	–
Capital expenditure payables	4,172	4,172	–	–	–
Social security and other taxes	1,618	1,618	–	–	–
Other payables	10,896	10,896	–	–	–
	27,902	27,902	–	–	–

4.2.2 Trade and other payables due after one year – Group

As at 31 December 2024	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
Subscriber deposits	8	–	–	–	8
Advance on RDA and other contractors	743	129	199	415	–
Unclaimed dividends	244	–	–	–	244
Domestic, foreign and capital expenditure payables	2,522	120	1,297	58	1,047
	3,517	249	1,496	473	1,299

4.2.3 Trade and other payables due within one year – Group

As at 31 December 2023	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
Domestic trade payables	7,564	7,564	–	–	–
Foreign trade payables	7,831	7,831	–	–	–
Capital expenditure payables	9,655	9,655	–	–	–
Social security and other taxes	1,605	1,605	–	–	–
Interest payable	195	195	–	–	–
Other payables	11,852	11,852	–	–	–
	38,702	38,702	–	–	–

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

4.2.4 Trade and other payables more than one year – Group

As at 31 December 2023	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
Subscriber deposits	218	4	5	9	200
Advance on RDA and others	1,515	63	273	536	643
Unclaimed dividends	244	–	–	–	244
Foreign trade payables	891	–	891	–	–
Capital expenditure payables	2,357	286	658	1,063	350
	5,225	353	1,827	1,608	1,437

4.2.5 Trade and other payables due within one year – Company

As at 31 December 2024	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
Domestic trade payables	30	30	–	–	–
Foreign trade payables	1,065	1,065	–	–	–
Amount due to subsidiaries	9,325	9,325	–	–	–
Capital expenditure payables	2,839	2,839	–	–	–
Social security and other taxes	1,609	1,609	–	–	–
Other payables	8,996	8,996	–	–	–
	23,864	23,864	–	–	–

4.2.6 Trade and other payables due after one year – Company

As at 31 December 2024	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
Subscriber deposits	8	–	–	–	8
Advance on RDA and other contracts	743	129	199	415	–
Unclaimed dividends	244	–	–	–	244
Capital expenditure payables	1,533	120	1,297	58	58
	2,528	249	1,496	473	310

4.2.7 Trade and other payables due within one year – Company

As at 31 December 2023	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
Domestic trade payables	24	24	–	–	–
Foreign trade payables	2,632	2,632	–	–	–
Amount due to subsidiaries	5,601	5,601	–	–	–
Capital expenditure payables	7,685	7,685	–	–	–
Social security and other taxes	1,452	1,452	–	–	–
Other payables	10,884	10,884	–	–	–
	28,278	28,278	–	–	–

4.2.8 Trade and other payables due after one year – Company

As at 31 December 2023	Carrying value	Up to 1 year	Up to 2 years	Up to 5 years	Over 5 years
Subscriber deposits	218	4	5	9	200
Advance on RDA and other contracts	872	63	273	536	–
Unclaimed dividends	244	–	–	–	244
Capital expenditure payables	2,065	286	658	1,063	58
	3,399	353	936	1,608	502

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

4.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices which will affect the Group's income or the value of its holdings of financial instruments. The

objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

4.3.1 Currency risk

The Group is exposed to currency risk on services provided and services received.

The Group manages its currency risk by a natural hedging mechanism to a certain extent by matching currency outflows with currency inflows for services settled in foreign currencies.

Further SLT uses forward lookings where necessary to mitigate their foreign currency exposure in a prudent manner.

The summary of quantitative data about the Group's exposure to foreign currency was as follows:

	Group		Company	
	2024 USD Mn.	2023 USD Mn.	2024 USD Mn.	2023 USD Mn.
As at 31 December				
Foreign trade receivables	17	16	12	12
Trade payables	(12)	(21)	(4)	(8)
Net statement of financial position exposure	5	(5)	8	4

The following significant exchange rates have been applied during the year:

	Average rate		Year end spot rate	
	2024	2023	2024	2023
USD	301.04	327.82	292.67	323.98

Sensitivity analysis

A reasonable possible strengthening (weakening) USD would have an impact on the Group's borrowings. This analysis assumes that all other variables, in particular interest rates remain constant.

	Profit or loss		Balance sheet	
	Strengthening	Weakening	Strengthening	Weakening
Group				
2024 December USD (10%)	(450)	450	(450)	450
2023 December USD (10%)	(309)	309	(309)	309
Company				
2024 December USD (10%)	-	-	-	-
2023 December USD (10%)	-	-	-	-

4.3.2 Interest rate risk

Interest rate risk mainly arises as a result of Group having interest sensitive assets and liabilities, which are directly, impacted by changes in the interest rates. The Group's borrowings and investments are maintained in a mix of fixed and variable interest rate instruments and periodical maturity gap analysis is carried out to take timely action and to mitigate possible adverse impact due to volatility of the interest rates.

Short-term interest rate management is delegated to the treasury operations while long-term interest rate management decisions require approval from the board of Directors.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

The Group interest rate sensitivity was computed based on a 100 basis point increase or decrease. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. The sensitivity of interest rate movement is shown below;

	Profit or loss	
	Increase in interest rate	Decrease in interest rate
Group		
2024 December variable rate instruments	(365)	365
2023 December variable rate instruments	(346)	346
Company		
2024 December variable rate instruments	(354)	354
2023 December variable rate instruments	(342)	342

4.4 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of stated capital and reserves. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The debt/equity ratios at 31 December were as follows:

	Group		Company	
	2024	2023	2024	2023
Total borrowings	91,637	90,058	66,618	72,461
Total equity	91,475	88,385	70,242	67,904
Total capital	183,112	178,443	136,860	140,365
Debt/equity ratio (%)	100.2	101.9	94.8	107

5. Operating Segments

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the Board of Directors, [the Chief Operating Decision-Maker (CODM)] reviews internal management reports on at least quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Fixed ICT operations includes supply of fixed telecommunication services.
- Mobile ICT operations includes supply of Mobile telecommunication services.
- IPTV operations includes providing of IPTV – Internet Protocol Television services.
- Other segment operations includes directory publication and support services. None of these segments meet the quantitative thresholds for determining reportable segments in 2024 or 2023.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax. As included in the internal management reports that are reviewed by the Board of Directors (BOD). Segment profit is used to measure performance as Management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information relevant to the operating segments are presented in a method consistent with the management reporting provided to those charged with governance.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Information about reportable segments

	Fixed telephony operations		Mobile operations		IPTV operations		Other segments operation		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
External revenues	65,028	63,637	44,390	41,103	284	302	1,446	1,376	111,148	106,418
Inter-segment revenue	6,281	6,074	1,390	1,533	3,856	3,856	2,387	1,126	13,914	12,589
Reportable segment revenue	71,309	69,711	45,780	42,636	4,140	4,158	3,833	2,502	125,062	119,007
Reportable segment profit/(loss) before tax	3,020	(1,611)	1,878	(1,825)	1,196	692	18	190	6,112	(2,554)
Interest income	812	1,280	276	391	5	3	32	11	1,125	1,685
Interest expenses	(6,977)	(9,772)	(2,101)	(1,643)	–	(1)	(67)	(53)	(9,145)	(11,469)
Foreign exchange gain/(loss)	(136)	(420)	619	604	217	443	(1)	2	699	629
Depreciation and amortisation	(18,938)	(18,533)	(10,715)	(10,263)	(162)	(78)	(19)	(30)	(29,834)	(28,904)
Reportable segment assets	180,895	189,152	83,153	78,420	2,509	2,554	1,389	1,806	267,946	271,932
Reportable segment liabilities	110,653	121,248	48,359	43,796	2,050	3,046	1,103	1,138	162,165	169,228

	2024	2023
Revenue		
Total revenue for reportable segments	121,229	116,505
Revenue for other segments	3,833	2,502
Reportable segment revenue	125,062	119,007
Elimination of inter-segment revenue	(13,914)	(12,589)
Consolidated revenue	111,148	106,418
Profit or loss		
Total profit or loss for reportable segments	6,094	(2,744)
Profit or loss for other segments	18	190
Reportable segment profit/(loss) before tax	6,112	(2,554)
Elimination of inter-segment profits	(75)	(97)
Consolidated profit/(loss) before tax	6,037	(2,651)

	2024	2023
Assets		
Total assets for reportable segments	266,557	270,126
Assets for other segments	1,389	1,806
	267,946	271,932
Elimination of inter-segment assets	(28,785)	(25,594)
Consolidated total assets	239,161	246,338
Liabilities		
Total liabilities for reportable segments	161,062	168,090
Liabilities for other segments	1,103	1,138
	162,165	169,228
Elimination of inter-segment liabilities	(14,479)	(11,275)
Consolidated total liabilities	147,686	157,953

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

	Reportable segment totals	Adjustments	Consolidated totals
Other material items (2024)			
Interest income	1,125	(38)	1,087
Interest expense	(9,145)	166	(8,979)
Capital expenditure	25,665	–	25,665
Depreciation and amortisation	(29,834)	3	(29,831)
Other material items (2023)			
Interest income	1,685	–	1,685
Interest expense	(11,469)	177	(11,292)
Capital expenditure	37,098	–	37,098
Depreciation and amortisation	(28,904)	3	(28,901)

6. Revenue

The significant categories under which revenue is recognised are as follows:

	Group		Company	
	2024	2023	2024	2023
Release of deferred connection charges	386	217	386	217
Rental income	4,588	5,677	2,650	3,201
Domestic call revenue	9,924	12,981	1,153	1,486
Receipts from other network operators – Domestic	1,046	868	130	194
International call revenue	506	565	114	147
Receipts from other network operators – International	–	31	–	–
International settlements (in-payments)	11,752	12,039	7,162	7,392
Broadband revenue	47,138	39,971	22,539	21,960
Data and other services	35,808	34,069	37,175	35,114
	111,148	106,418	71,309	69,711

Timing of revenue recognition	Group		Company	
	2024	2023	2024	2023
At a point in time	943	573	219	117
Over time	110,205	105,845	71,090	69,594
	111,148	106,418	71,309	69,711

6. (a) The revenue recognised from providing fixed telephony and mobile communication services by the Group is LKR 109,418 Mn. (2023 – LKR 104,740 Mn.).

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

7. Operating Costs

The following items have been included in arriving at operating profit:

	Group		Company	
	2024	2023	2024	2023
Staff costs (Note 7.1)	23,018	22,277	16,979	16,448
Directors' emoluments	97	107	67	85
Payments to international network operators	1,735	1,963	1,735	1,963
Payments to other network operators				
– International	1,283	1,224	833	703
– Domestic	1,015	553	71	91
International Telecommunication Operators Levy	978	1,197	292	406
Auditors' remuneration				
– Audit – Ernst & Young	25	24	15	14
– Other auditors	1	–	1	–
– Non-audit – Ernst & Young	6	6	3	5
– Other auditors	4	7	4	7
Repairs and maintenance expenditure	9,594	11,408	7,032	8,329
Provision for doubtful debts	1,013	1,247	1,324	830
Provision/(Reversals) of inventory	178	(91)	180	(95)
Impairment/(Reversal) of property, plant and equipment (Note 14)	(91)	507	(91)	480
Other operating expenditure	31,272	32,986	16,637	16,831
Depreciation on property, plant and equipment	23,527	23,172	16,899	16,790
Depreciation on right-of-use assets	3,990	3,333	1,024	600
Amortisation	2,314	2,396	1,015	1,143
	99,959	102,316	64,020	64,630

7.1 Staff costs

	Group		Company	
	2024	2023	2024	2023
Salaries, wages, allowances, and other benefits	20,069	19,110	14,721	13,994
Post-employment benefits				
– Defined contribution plans	1,789	1,786	1,312	1,326
– Defined benefit obligations (Note 29)	1,160	1,381	946	1,128
	23,018	22,277	16,979	16,448
Average number of persons employed	8,461	8,601	6,131	6,443

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

8. Finance Costs

	Group		Company	
	2024	2023	2024	2023
Rupee loans	5,684	8,511	4,557	7,974
Foreign currency loans	–	78	–	–
Debenture	893	892	893	892
Interest-Overdraft	919	1,020	752	879
Interest – Vendor financing	2,111	4,198	1,951	4,135
Other interest [See Note (a) below]	695	925	147	178
Total finance cost	10,302	15,624	8,300	14,058
Interest capitalised [See Note (b) below]	(1,323)	(4,332)	(1,323)	(4,286)
Net total finance cost	8,979	11,292	6,977	9,772

(a) Other interest mainly include interest cost of leased assets.

(b) Capitalisation rate used for 2024 is 11.03% (2023 - 17.37 %).

9. Foreign Exchange Gain/(Loss)

	Group		Company	
	2024	2023	2024	2023
Net foreign exchange gain/(loss)	699	629	(136)	(420)

(a) Foreign exchange gain/(loss) of the Group mainly includes,

- Exchange loss of LKR 2,321 Mn. (2023 – loss of LKR 2,391 Mn.) arising from realised and revaluation of the receivables, fixed deposits and bank balances maintained in USD.
- Exchange gain of LKR 3,020 Mn. (2023 – gain of LKR 2,798 Mn.) on payment to foreign suppliers and vendor financing.
- Exchange gain of nil (2023 – gain of LKR 222 Mn.) arising from revaluation of USD syndicate loan and other term loans.

(b) Foreign exchange gain/(loss) of the Company mainly includes,

- Exchange loss of LKR 608 Mn. (2023 – loss of LKR 2,009 Mn.) arising from realisation and revaluation of receivables, fixed deposits and bank balances maintained in USD.
- Exchange gain of LKR 472 Mn. (2023 – gain of LKR 1,589 Mn.) on payment to foreign suppliers.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

10. Interest Income

	Group		Company	
	2024	2023	2024	2023
Interest income from:				
Fixed deposits	461	874	187	541
Repurchase agreement – Repos	–	17	–	11
Staff loan interest	626	792	625	726
Treasury bonds	–	2	–	2
	1,087	1,685	812	1,280

The interest income on bank deposits reflect the prevailing rates on the date of respective investments.

- (a) The weighted average interest rates of the Group on restricted funds in bank deposits 7.53% – 9.41% (2023 – 18.09%) and USD was 5.50% (2023 – 10.17%). The weighted average interest rate of the Group in bank deposits in LKR was 11.00% – 12.00% (2023 – 20.00%). The weighted average interest on repurchase agreement – Repo of the Group was nil 2023 – 18.56%)
- (b) The weighted average interest rates of the Company on restricted funds in bank deposits 9.41% (2023 – 18.09%) and USD was 5.50% (2023 – 10.17%). The weighted average interest of the Company on bank deposits in LKR was nil (2023 – 20.00%). The weighted average interest on repurchase agreement – Repo of the Company was nil 2023 – 18.56%)
- (c) The weighted average interest on staff loans are between 11.40% to 18.05% (2023 – 13.01% and 23.22%) computed as per the provisions in the Sri Lanka Accounting Standards. The actual interest rates charged on the staff loans are between 6.24% and 7.20% (2023 – 6.24% and 7.20%)

11. Income Tax Expenses/(Reversals)

Tax recognised in statement of profit or loss

	Group		Company	
	2024	2023	2024	2023
Current tax expense				
Current year	689	975	–	–
Adjustments	5	(43)	–	(43)
Tax on dividends	–	–	–	–
	694	932	–	(43)
Deferred tax expense				
Origination and reversal of temporary differences	3,120	2,368	1,804	1,605
Tax losses	(897)	(2,030)	(897)	(2,041)
	2,223	338	907	(436)
Tax expense/(reversal)	2,917	1,270	907	(479)

Tax recognised in other comprehensive income – Group

	2024			2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Defined benefit plan actuarial gain/(loss)	222	35	257	384	(41)	343
	222	35	257	384	(41)	343

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Tax recognised in other comprehensive income – Company

	2024			2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Defined benefit plan actuarial gain/(loss)	322	(97)	225	295	(118)	177
	322	(97)	225	295	(118)	177

Reconciliation between income tax expenses and accounting profit/(loss)

	Group		Company	
	2024	2023	2024	2023
Accounting profit/(loss) before tax	6,037	(2,651)	3,020	(1,611)
Non-taxable receipts/gains	(192)	(147)	(192)	(147)
Exempt profit	(1,133)	(480)	(155)	(480)
Aggregate disallowable expenses	52,796	24,710	23,711	24,350
Aggregate allowable expenses	(38,631)	(29,978)	(29,277)	(28,916)
Utilisation of tax losses	–	(83)	–	–
Current year tax losses not utilised	4,825	6,962	2,893	6,804
Taxable income	23,702	(1,667)	–	–
Income tax charged at;				
Standard rate of 30% (Note a)	242	77	–	–
Other rates	447	898	–	–
Tax on current year profits	689	975	–	–

(a) The group computed the income tax liability for the year of assessment 2024/2025 by applying the income tax rate of 30%. (for the year of assessment 2023/2024 – 30%)

Current income tax charge of the Group/Company is made up as follows:

	Group		Company	
	2024	2023	2024	2023
Sri Lanka Telecom PLC	–	–	–	–
Mobitel (Private) Limited (Note a)	480	898	–	–
Sri Lanka Telecom (Services) Limited	209	68	–	–
SLT Human Capital Solutions (Private) Limited	–	–	–	–
SLT Digital Services (Private) Limited	–	–	–	–
SLT VisionCom (Private) Limited	–	–	–	–
Sky Network (Private) Limited	–	–	–	–
SLT Property Management (Private) Limited	–	–	–	–
Talentfort (Private) Limited	–	9	–	–
	689	975	–	–

(a) Pursuant to agreements dated 15 January 1993 and 26 February 2001 entered into with the Board of Investment of Sri Lanka under Section 17 of the Board of Investment Act No. 4 of 1978, 15 years tax exemption period granted to Mobitel (Private) Limited expired on 30 June 2009 and as per the agreement, Mobitel (Private) Limited opted for the turnover based tax option in which 2% was charged on the turnover for a further period of 15 years commencing from 1 July 2009. The turnover based tax option was expired on 30 June 2024.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

12. Divestment of Talentfort (Pvt) Ltd.

On 25 July 2024, the Group publicly announced the decision of its Board of Directors to sell Talentfort (Pvt) Ltd., a wholly owned subsidiary.

On 25 July 2024, the shareholders of the Company approved the plan to sell. On 29 August 2024, Sri Lanka Telecom PLC has transferred one (1) ordinary shares representing one hundred per centum (100%) of the total issued shares of the Talentfort (Pvt) Ltd. worth LKR 10 to Siyathro Investment and Property Developers (Private) Limited for a total purchase consideration of LKR 80,000,000.

The assets and liabilities disposed were as follows,

	Group
	2024
Assets	
Property, plant and equipment	6
Intangible assets	12
Deferred tax assets	4
Trade and other receivables	100
Total assets	122
Employee benefits	5
Trade and other payables	74
Borrowings	3
Current tax liabilities	5
Total liabilities	87
Total identifiable net assets	35
Gain on disposal of disposal group	
Sales consideration	80
Fair value of net asset disposed	35
Gain on disposal	45

Above disposal gain recorded under other income for the year.

The business of Talentfort (Pvt) Ltd. represented a part of the Group's other operating segment. The Group has not recognised the divestment of Talentfort (Pvt) Ltd. as a discontinued operation since it is not a major line of business or geographical area of operations as per SLFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

13. Earnings Per Share

The basic earnings per share is calculated by dividing the net profit attributable to equity holders by the weighted average number of ordinary shares in issue during the year.

	Group		Company	
	2024	2023	2024	2023
Net profit/(loss) attributable to equity holders (LKR Mn.)	3,116	(3,925)	2,113	(1,132)
Weighted average number of ordinary shares in issue (million)	1,805	1,805	1,805	1,805
Earnings per share (LKR) – Basic	1.73	(2.17)	1.17	(0.63)

Diluted EPS is the same as computed above as the Company does not have any instrument that will potentially dilute the shareholdings.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

14. Property, Plant and Equipment

14.1 Property, Plant and Equipment – Group

	Freehold land	Freehold buildings	Ducts, cables, and other outside plants	Telephone exchanges	Transmission equipment	IT systems	Motor vehicles	Other fixed assets	Capital work-in-progress	Total
Cost										
As at 1 January 2023	402	7,167	196,200	30,475	128,266	25,191	2,556	12,914	43,054	446,225
Additions at cost	–	–	292	3	3,217	974	–	1,013	28,346	33,845
Transfers from capital work-in-progress	–	2,107	23,226	5	5,034	510	–	1,081	(31,963)	–
Disposals at cost	–	–	(255)	(14,231)	(3,331)	(7)	(80)	(1,135)	–	(19,039)
As at 31 December 2023	402	9,274	219,463	16,252	133,186	26,668	2,476	13,873	39,437	461,031
Accumulated depreciation										
As at 1 January 2023	–	(3,432)	(133,516)	(26,634)	(86,654)	(18,806)	(2,485)	(9,785)	3	(281,309)
Accumulated depreciation on disposals	–	–	255	14,231	3,290	6	67	884	27	18,760
Impairment loss	–	–	(56)	–	(355)	(69)	–	–	(27)	(507)
Depreciation charge	–	(435)	(10,873)	(615)	(8,784)	(1,415)	(7)	(1,043)	–	(23,172)
Prior year adjustment	–	–	–	–	(337)	–	–	–	–	(337)
As at 31 December 2023	–	(3,867)	(144,190)	(13,018)	(92,840)	(20,284)	(2,425)	(9,944)	3	(286,565)
Carrying value as at 31 December 2023	402	5,407	75,273	3,234	40,346	6,384	51	3,929	39,440	174,466

	Freehold land	Freehold buildings	Ducts, cables, and other outside plants	Telephone exchanges	Transmission equipment	IT systems	Motor vehicles	Other fixed assets	Capital work-in-progress	Total
Cost										
As at 1 January 2024	402	9,274	219,463	16,252	133,186	26,668	2,476	13,873	39,437	461,031
Additions at cost	–	–	349	22	2,113	983	–	401	18,700	22,568
Transfers from capital work-in-progress	–	530	12,287	11	10,898	1,692	1	804	(26,223)	–
Transfer to investment properties	(6)	(1,288)	–	–	–	–	–	–	–	(1,294)
Disposals at cost	–	–	(151)	–	(1,425)	–	(5)	(117)	–	(1,698)
As at 31 December 2024	396	8,516	231,948	16,285	144,772	29,343	2,472	14,961	31,914	480,607
Accumulated depreciation										
As at 1 January 2024	–	(3,867)	(144,190)	(13,018)	(92,840)	(20,284)	(2,425)	(9,944)	3	(286,565)
Accumulated depreciation on disposals	–	–	151	–	1,404	–	5	112	11	1,683
Transfer to investment properties	–	348	–	–	–	–	–	–	–	348
Reversal of Impairment	–	–	56	–	35	–	–	–	–	91
Depreciation charge	–	(506)	(11,568)	(232)	(8,659)	(1,188)	–	(1,366)	(8)	(23,527)
As at 31 December 2024	–	(4,025)	(155,551)	(13,250)	(100,060)	(21,472)	(2,420)	(11,198)	6	(307,970)
Carrying value as at 31 December 2024	396	4,491	76,397	3,035	44,712	7,871	52	3,763	31,920	172,637

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

14.2 Property, Plant and Equipment – Company

	Freehold land	Freehold buildings	Ducts, cables, and other outside plant	Telephone exchanges	Transmission equipment	IT systems	Motor vehicles	Other fixed assets	Capital work-in-progress	Total
Cost										
As at 1 January 2023	402	7,158	196,200	30,475	39,323	21,052	2,370	10,664	39,691	347,335
Additions at cost	–	–	293	3	3,217	973	–	127	21,817	26,430
Transfers from capital work-in-progress	–	2,107	23,226	5	554	510	–	592	(26,994)	–
Disposals at cost	–	–	(255)	(14,231)	(8)	(7)	(80)	–	–	(14,581)
As at 31 December 2023	402	9,265	219,464	16,252	43,086	22,528	2,290	11,383	34,514	359,184
Accumulated depreciation										
As at 1 January 2023	–	(3,433)	(133,516)	(26,634)	(30,517)	(16,054)	(2,349)	(7,771)	–	(220,274)
Accumulated depreciation on disposals	–	–	255	14,231	3	6	67	–	–	14,562
Impairment loss	–	–	(56)	–	(355)	(69)	–	–	–	(480)
Depreciation charge	–	(435)	(10,873)	(615)	(3,159)	(1,415)	(7)	(286)	–	(16,790)
Prior year adjustment	–	–	–	–	(337)	–	–	–	–	(337)
As at 31 December 2023	–	(3,868)	(144,190)	(13,018)	(34,365)	(17,532)	(2,289)	(8,057)	–	(223,319)
Carrying value as at 31 December 2023	402	5,397	75,274	3,234	8,721	4,996	1	3,326	34,514	135,865

	Freehold land	Freehold buildings	Ducts, cables, and other outside plant	Telephone exchanges	Transmission equipment	IT systems	Motor vehicles	Other fixed assets	Capital work-in-progress	Total
Cost										
As at 1 January 2024	402	9,265	219,464	16,252	43,086	22,528	2,290	11,383	34,514	359,184
Additions at cost	–	–	349	22	2,113	983	–	246	8,208	11,921
Transfers from capital work-in-progress	–	530	12,287	11	1,425	1,692	1	134	(16,080)	–
Transfers to investment properties	(7)	(3,757)	–	–	–	–	–	–	–	(3,764)
Disposals at cost	–	–	(151)	–	–	–	(5)	(18)	–	(174)
As at 31 December 2024	395	6,038	231,949	16,285	46,624	25,203	2,286	11,745	26,642	367,167
Accumulated depreciation										
As at 1 January 2024	–	(3,868)	(144,190)	(13,018)	(34,365)	(17,532)	(2,289)	(8,057)	–	(223,319)
Accumulated depreciation on disposals	–	–	151	–	–	–	5	18	–	174
Transfers to investment properties	–	720	–	–	–	–	–	–	–	720
Reversal of Impairment	–	–	56	–	35	–	–	–	–	91
Depreciation charge	–	(506)	(11,568)	(232)	(2,903)	(1,188)	–	(502)	–	(16,899)
As at 31 December 2024	–	(3,654)	(155,551)	(13,250)	(37,233)	(18,720)	(2,284)	(8,540)	–	(239,232)
Carrying value as at 31 December 2024	395	2,384	76,398	3,035	9,391	6,483	2	3,205	26,642	127,935

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

- (a) On 1 September 1991, the Department of Telecommunications (DoT) transferred its entire telecommunications business and related assets and liabilities to SLT. A valuation of the assets and liabilities transferred to SLT was performed by the Government of Sri Lanka. The net amount of those assets and liabilities represents SLT's Contributed Capital on incorporation and the value of property, plant and equipment as determined by the Government of Sri Lanka. Valuers were used to determine the opening cost of fixed assets on 1 September 1991 in the first statutory accounts of SLT. Further, SLT was converted into a public limited company, Sri Lanka Telecom Limited (SLTL), on 25 September 1996 and on that date, all business and the related assets and liabilities of SLT were transferred to SLTL as part of the privatisation process.
- (b) The cost of fully depreciated assets still in use in the Company as at 31 December 2024 was LKR 170,251 Mn. (2023 – LKR 148,439 Mn.). The cost of fully depreciated assets still in use in the Group as at 31 December 2024 was LKR 205,557 Mn. (2023 – LKR 183,431 Mn.).
- (c) No assets have been mortgaged or pledged as security for borrowings of the Group.
- (d) The number of buildings of the Group as at 31 December 2024, is 1,242 (2023 – 1,266).
- (e) All the motor vehicles have been insured. SLT has obtained Property All Risk Insurance with effect from 31 March 2022 for targeted assets of SLT at island wide locations. An insurance reserve has been created together with a sinking fund investment to meet any potential losses with regard to uninsured property, plant and equipment. At the reporting date, the insurance reserve amounted to LKR 300 Mn. (2023 – LKR 300 Mn.) (Note 31).
- (f) During the year ended 31 December 2024 Company has recognised a reversal of impairment of LKR 91 Mn. on IPTV (2023 – LKR 320 Mn. on LTE Assets, LKR 69 Mn. on IT systems and LKR 91 Mn on IPTV assets). These reversal of impairment losses are included under the administrative expenses in the Statement of profit or loss and other comprehensive income.
- (g) The capital work-in-progress related to network equipment of the Group is LKR 16,697 Mn. (2023 – LKR 22,209 Mn.) and the Company is LKR 16,541 Mn. (2023 – LKR 17,403 Mn.).
- (h) The Company capitalised borrowing costs amounting to LKR 1,323 Mn. during the year (2023 – LKR 4,286 Mn.). Borrowing cost capitalised from a Group perspective amounted to LKR 1,323 Mn. (2023 – LKR 4,332 Mn.).
- (i) The carrying value of network assets of the Group is LKR 124,144 Mn. (2023 – LKR 118,853 Mn.) and the Company is LKR 88,824 Mn. (2023 – LKR 87,229 Mn.).
- (j) The depreciation charge on network assets of the Group is LKR 20,459 Mn. (2023 – LKR 20,332 Mn.) and the Company is LKR 15,040 Mn. (2023 – LKR 14,647 Mn.).
- (k) Property, plant and equipment include submarine cables. The total cost and accumulated depreciation of all cables under this category as follows;

	Group/Company	
	2024	2023
Cost	14,065	13,176
Accumulated depreciation at 1 January	(7,489)	(7,131)
Depreciation charge for the year	(417)	(358)
Carrying amount	6,159	5,687

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

15. Investment Properties

	Group	Company
	2024	2024
Movement in investment properties		
As at 1 January	–	–
Additions	–	–
Transfers	1,294	3,764
Depreciation	(348)	(720)
Impairment	–	–
As at 31 December	946	3,044
Freehold properties	946	3,044
Leasehold properties	–	–
	946	3,044
Amounts recognised in the income statement		
Rental income earned	84	344
Direct operating expenses generating rental income	0.60	3

During the year, the Company has transferred the aggregate value of LKR 3,764 Mn. to Investment Properties.

The Company as a lessor

The Company has entered into operating leases on its land and buildings rented mainly as office space to other related and non-related companies.

The Group has adopted the cost model to value the Investment Property as per LKAS 40 – “Investment Property”. The details of the Investment Property of the Group are as follows.

Property/Location	Extent (Perch)	Cost LKR	Carrying value		Valuation as at 31 December 2024 LKR
			Group LKR	Company LKR	
(a) Lands					
Earth Satellite Station, Padukka.	4,270.0	1.00	1.00	1.00	194,849,920.00
Senior Engineers Quarters No. 5, Anderson Road, Colombo 05	74.7	3,394,000.00	3,394,000.00	3,394,000.00	666,442,719.00
No. 36, Maithreepala Senanayake Mw, Anuradhapura	44.5	420,000.00	–	420,000.00	207,116,000.00
Sub stores, Nivanthaka Chathiya Raod, Anuradhapura	38.4	300,000.00	–	300,000.00	51,300,000.00
Welikada Wireless Station and Maritime service Station	17.5	189,957.81	189,957.81	189,957.81	150,900,000.00
Senior Engineers Quarters No. 7, Anderson Road, Colombo 05.	53.8	2,484,000.00	2,484,000.00	2,484,000.00	623,966,000.00
		6,787,958.81	6,067,958.81	6,787,958.81	1,894,574,639.00

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Property/Location	Area (SqFt)	Cost	Carrying value		Valuation as at 31 December 2024
			Group	Company	
			LKR	LKR	LKR
(b) Buildings					
SLT Campus, Ingiriya Road, Padukka.	195,736.00	1,257,858,548.95	935,136,532.27	935,136,532.27	1,022,962,080.00
Regional Telecom Office, High Level Road, Nugegoda.	4,895.00	4,496,772.10	–	–	73,400,000.00
Regional Telecom Office, 106, St Josephs Street, Negombo.	625.00	2,007,005.68	–	–	38,057,000.00
Senior Engineer’s Quarters No. 5, Anderson Road, Colombo 05.	4,762.00	17,575,731.17	3,347,125.09	3,347,125.09	11,870,481.00
Slave Island Exchange, No. 17, Sugathodaya Mw, Colombo 02.	8,128.00	5,036,726.72	–	192,612.22	113,200,000.00
3rd Floor, SLT Headquarters Building, Lotus road, Colombo 01.	5,536.00	23,107,313.48	–	8,747,479.51	120,000,000.00
No. 36 Maithreepala Senanayake Mw, Anuradhapura.	7,447.00	110,583,674.39	–	65,613,577.38	20,484,000.00
Avissawella Exchange, Colombo Road, Avissawella.	1,700.00	2,897,525.46	7,484.39	7,484.39	27,164,000.00
Auto Exchange, Main Street, Bandaragama.	651.00	8,291,240.49	–	5,056,358.45	9,400,000.00
Sub Stores, Nivanthaka Chetiya Road, Anuradhapura.	960.00	993,758.13	–	–	2,700,000.00
Ukuwela Auto Exchange.	1,760.00	3,623,954.04	–	1,012,615.94	12,100,000.00
Sammanthurai Exchange, Korakkar Road, Sammanthurai.	433.00	589,422.14	–	142,542.57	3,320,000.00
Poththode – Quarters Negombo.	1,270.00	269,588.86	–	225,892.38	8,910,000.00
Yatiantota Exchange, Garagoda, Yatiantota.	958.00	489,201.26	–	162,022.67	9,000,000.00
148/15 Danister De Silva Mw, Colombo 08 – Office Building.	9,837.00	61,726,612.13	–	41,051,271.26	133,700,000.00
148/15 Danister De Silva Mw, Colombo 08 – Generator Building.	5,600.00	35,139,679.57	–	23,369,636.99	59,000,000.00
No. 148/15, Lesley Ranagala Mw, Baseline Road, Colombo 08 – OHQ Building.	100,000.00	1,992,091,591.14	–	1,837,853,478.39	2,107,200,000.00
148/15 Danister De Silva Mw, Colombo 08 - Equipment Building.	23,200.00	145,578,672.50	–	96,817,067.54	478,300,000.00
Koddaiadithidal, Yenkusaladinilam, Esplanade, Jaffna.	288.00	1,121,020.50	–	241,461.53	3,700,000.00
No. 41 New Nuge Road, Peliyagoda.	31,970.00	62,358,884.64	–	15,358,945.81	288,800,000.00
No. 41 New Nuge Road, Peliyagoda.	3,100.00	6,046,685.72	–	1,489,294.09	28,900,000.00
Middeniya Road, Weeraketiya.	758.00	897,802.67	–	41,140.93	8,900,000.00
SLT Building, Maradana Road, Colombo 10.	3,600.00	6,432,988.32	–	90,649.57	43,200,000.00
No. 851, Kotte Road, Kotte.	550.00	2,269,601.79	575,125.22	575,125.22	59,700,000.00
Senior Engineer’s Quarters No. 7, Anderson Road, Colombo 05.	3,545.00	5,557,234.07	618,734.08	618,734.08	12,734,000.00
		3,757,041,235.93	939,685,001.05	3,037,151,048.28	4,696,701,561.00
		3,763,829,194.74	945,752,959.86	3,043,939,007.09	6,591,276,200.00

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

The fair values of investment properties as at 31 December 2024 based on valuation performed by Mr A A M Fathihu – MRICS of FM Valuers a firm of incorporated valuers. The fair value of properties was determined by external independent property valuers

having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Fair Value Hierarchy

The fair value measurement for investment properties have been categorised as Levels II and III of the fair value hierarchy based on the input to the valuation techniques used.

Valuation Technique and Significant Unobservable Input

The following table shows the valuation techniques used in measuring the fair value of investment properties, as well as the significant unobservable inputs.

	Property	Valuation date	Valuation techniques used	Significant unobservable inputs	Interrelationship between key unobservable inputs and fair value measurements
1	SLT Campus, Ingiriya Road, Padukka.	31.12.2024	Capitalisation of earning /market rent	Market rent after lease period is unobservable input comes under Level II and III of inputs	Negligible as major component used is observable input
2	Regional Telecom Office, High Level Road, Nugegoda.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
3	Regional Telecom Office , 106, St Josephs Street, Negombo.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
4	Senior Engineer's Quarters No. 5, Anderson Road, Colombo 05.	31.12.2024	Capitalisation of earning/exit value on residual value of land	Present Market value of land ranges from LKR 10 Mn. to 15.0 Mn. per perch, which is considered for exit value.	Land rate per perch is higher or lower.
5	Slave Island Exchange, No. 17, Sugathodaya Mw, Colombo 02.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
6	HQ Building, Lotus Road- Colombo 01.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
7	No. 36, Maithreepala Senanayake Mw, Anuradhapura.	31.12.2024	Capitalisation of earning/market rent and extra land on comparable evidence	Market rent after lease period, and capitalisation rate for which Level II and III inputs were used. Extra land was based on land value ranges from LKR 4.0 Mn. to 6.50 Mn. per perch	Market value of land rate per perch is higher or lower.
8	Awissawella Exchange, Colombo Road, Awissawella.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
9	Auto Exchange, Main Street, Bandaragama.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
10	Sub Stores, Nivanka Chetiya Road, Anuradhapura.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
11	Ukuwela Auto Exchange.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
12	Sammanthurai Exchange, Korakkar Road, Sammanthurai.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
13	Pottode – Quarters Negombo.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
14	Yatiantota Exchange, Off Mahanma Road, Yatiantota.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
15	148/15, Danister De Silva Mw, Colombo 08.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

	Property	Valuation date	Valuation techniques used	Significant unobservable inputs	Interrelationship between key unobservable inputs and fair value measurements
16	148/15, Danister De Silva Mw, Colombo 08.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
17	No 148/15, Lesley Ranagala Mw, Baseline Road, Colombo 08.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
18	148/15 Danister De Silva Mw, Colombo 08.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
19	Koddaiadithidal, Yenkusaladinilam, Esplanade.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
20	No. 41 New Nuge Road , Peliyagoda.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
21	No. 41 New Nuge Road , Peliyagoda.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
22	Middeniya Road, Weeraketiya.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
23	SLT Building, Maradana Road, Colombo 10.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
24	No. 851, Kotte Road, Kotte.	31.12.2024	Capitalisation of earning/market rent	Market rent after lease period is unobservable input which comes under Level II and III of inputs	Market rate for the rent is higher or lower.
25	No. 07, Anderson Road, Colombo 05.	31.12.2024	Capitalisation of earning/market rent	Present Market value of land ranges from LKR 10 Mn. to 15.0 Mn. per perch, which is considered for exit value.	Land rate per perch for the rent is higher or lower.

Terms and conditions of leases with Related Parties

The investment property is leased to related parties under operating leases with rentals payable as per the lease terms following the arms length principles.

16. Right-of-Use Assets and Lease Liabilities

The Group has lease contracts for various items of land and buildings, E1 Links and towers used in its operations. Leases of land and buildings generally have lease terms between 1 to 2 years while leases of towers generally have lease terms between 2 to 3 years. The Group's obligations under its leases are secured by the lessor's title to the leases assets. Generally the Group is restricted from assigning and sub leasing the leased assets.

The Group also has certain leases of towers or tower spaces with low value.

(i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year.

	Group		
	Land and buildings	Towers	Total
As at 1 January 2024	4,418	1,343	5,761
Additions	817	1,696	2,513
Disposals/adjustments	55		55
Depreciation expense	(1,320)	(1,649)	(2,969)
As at 31 December 2024	3,970	1,390	5,360

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Company	Company		
	Land and Buildings	Towers	Total
As at 1 January 2024	42	771	813
Additions	18	416	434
Depreciation expense	(25)	(999)	(1,024)
As at 31 December 2024	35	188	223

(ii) Set out below are the carrying amounts of lease liabilities recognised and the movements during the year.

	Group	
	2024	2023
As at 1 January	6,236	7,496
Additions	2,465	1,696
Disposals/adjustments	–	(467)
Accretion of interest	675	641
Payments	(3,502)	(3,130)
As at 31 December	5,874	6,236
Non-current	3,892	3,617
Current	1,982	2,619
	5,874	6,236

	Company	
	2024	2023
As at 1 January	884	655
Additions	434	800
Accretion of interest	147	140
Payments	(1,148)	(711)
As at 31 December	317	884
Non-current	22	267
Current	295	617
	317	884

(iii) Following are the amounts recognised in profit or loss:

	Group	
	2024	2023
Depreciation expense of right-of-use-assets	2,969	2,674
Interest expense on lease liabilities	675	641
Leases of low value	66	89
Total amount recognised in profit or loss	3,710	3,404

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

	Company	
	2024	2023
Depreciation expense of right-of-use-assets	1,024	600
Interest expense on lease liabilities	147	140
Leases of low value	66	89
Total amount recognised in profit or loss	1,237	829

Sensitivity analysis

	ROU asset	Lease liability
Sensitivity to discount rate/incremental borrowing rate – Group		
Increase by 1%	(275)	(164)
Decrease by 1%	275	164
Sensitivity to discount rate/incremental borrowing rate – Company		
Increase by 1%	(3)	(20)
Decrease by 1%	3	20

17. Intangible assets and Goodwill

17.1 Intangible assets Goodwill – Group

	Goodwill	Licences	Software	Others	Total
Cost					
As at 1 January 2023	804	13,531	7,119	654	22,108
– Acquisitions	–	4,474	391	19	4,884
– Derecognition	–	(2,430)	(842)	–	(3,272)
As at 31 December 2023	804	15,575	6,668	673	23,720
As at 1 January 2024	804	15,575	6,668	673	23,720
– Acquisitions	–	1,874	683	–	2,557
– Derecognition	–	(1,887)	–	(330)	(2,217)
As at 31 December 2024	804	15,562	7,351	343	24,060
Accumulated amortisation					
As at 1 January 2023	253	7,667	5,860	452	14,232
– Amortisation	–	1,307	1,060	29	2,396
– Derecognition	–	(2,430)	(842)	–	(3,272)
As at 31 December 2023	253	6,544	6,078	481	13,356
As at 1 January 2024	253	6,544	6,078	481	13,356
– Amortisation	–	1,461	853	–	2,314
– Derecognition	–	(1,887)	–	(330)	(2,217)
As at 31 December 2024	253	6,118	6,931	151	13,453
Carrying amounts					
As at 31 December 2024	551	9,444	420	192	10,606
As at 31 December 2023	551	9,031	590	192	10,364

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

The cost of fully amortised intangible assets still in use in the Company as at 31 December 2024 was LKR 3,078 Mn. (2023 – LKR 3,984 Mn.).

The cost of fully amortised intangible assets still in use in the Group as at 31 December 2024 was LKR 3,802 Mn. (2023 – LKR 5,044 Mn.).

The goodwill in the Group consists of goodwill arising on acquisition of Mobitel (Private) Limited and eChannelling PLC.

Goodwill is allocated to the Group's Cash-generating Units (CGUs). A summary of the goodwill allocation is presented below:

	2024	2023
Mobitel (Private) Limited	141	141
eChannelling PLC	410	410
Total	551	551

The recoverable amount of a CGU of Mobitel (Private) Limited is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections, based on financial budgets approved by management covering a five-year period. Cash flows beyond the five year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The key assumptions used for value-in-use calculations are of Mobitel (Private) Limited are as follows:

	2024 (%)	2023 (%)
Growth rate	2.0	9.0
Discount rate	11.6	16.0

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant operating segments.

The recoverable amount of a CGU is determined based on fair value using Level I observable inputs; market share of eChannelling PLC.

The Management has observed that the current market price of a share of eChannelling PLC, (LKR 13.80) is more than the net asset value per share as at 31 December 2024.

No impairment charge has been recognised for the year ended 31 December 2024 for the above CGU (2023 – LKR Nil)

17.2 Intangible assets – Company

	Licences	Software	Others	Total
Cost				
As at 1 January 2023	4,623	4,981	330	9,934
– Acquisitions	364	336	–	700
– Derecognition	–	–	–	–
As at 31 December 2023	4,987	5,317	330	10,634
As at 1 January 2024	4,987	5,317	330	10,634
– Acquisitions	–	675	–	675
– Derecognition	(1,428)	–	(330)	(1,758)
As at 31 December 2024	3,559	5,992	–	9,551
Accumulated amortisation				
As at 1 January 2023	1,874	4,087	330	6,291
– Amortisation	261	882	–	1,143
– Derecognition	–	–	–	–
As at 31 December 2023	2,135	4,969	330	7,434

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

	Licences	Software	Others	Total
As at 1 January 2024	2,135	4,969	330	7,434
– Amortisation	297	718	–	1,015
– Derecognition	(1,428)	–	(330)	(1,758)
As at 31 December 2024	1,004	5,687	–	6,691
Carrying Amounts				
As at December 2024	2,555	305	–	2,860
As at December 2023	2,852	348	–	3,200

18. Investments in Subsidiaries and Associates

18.1 Investments in subsidiaries

	2024	2023
As at 1 January	14,431	14,431
Investment in subsidiary	60	–
Write-off of investment in subsidiary due to short form amalgamation	(150)	–
As at 31 December	14,341	14,431

According to Section. 242 of Companies Act No. 07 of 2007, due to short form amalgamation the investment in shares of SLT VisionCom (Pvt) Ltd. and SLT Digital Services (Pvt) Ltd. was cancelled after amalgamation with Sri Lanka Telecom (Services) Ltd. There is no impact at the Group level as Sri Lanka Telecom (Services) Ltd. is a fully owned subsidiary of Sri Lanka Telecom PLC.

Details of the subsidiary companies in which the Company had control as at 31 December are set out below:

Name of company	2024		2023	
	Investment LKR Mn.	Company holding %	Investment LKR Mn.	Company holding %
Mobitel (Private) Limited [See Note (a) below]	13,980	100	13,980	100
SLT VisionCom (Private) Limited [See Note (b) below]	–	–	100	100
SLT Digital Services (Private) Limited [See Note (c) below]	–	–	50	100
Sri Lanka Telecom (Services) Limited [See Note (d) below]	300	99.99	300	99.99
SLT Human Capital Solutions (Private) Limited [See Note (e) below]	1	100	1	100
SLT Property Management (Private) Limited [See Note (f) below]	–	100	–	100
Xyntac Singapore Pte. Ltd [See Note (g) below]	60	100	–	–
	14,341		14,431	
Subsidiaries				
eChannelling PLC [See Note (h) below]	642	88	642	88
TalentFort (Private) Limited [See Note (i) below]	–	–	–	100

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

The Directors believe that the fair value of each of the companies listed above do not differ significantly from their book values, other than eChannelling PLC.

- (a) The Company owns 1,320,013,240 shares representing 100% of the entire ordinary share capital of Mobitel (Private) Limited.
- (b) The SLT VisionCom (Private) Limited has been amalgamated with Sri Lanka Telecom (Services) Limited with effect from 1 April 2024. This investment in subsidiary company consists of 10,000,000 shares representing the entire stated capital of SLT VisionCom (Private) Limited in 2023.
- (c) The SLT Digital Services (Private) Limited has been amalgamated with Sri Lanka Telecom (Services) Limited with effect from 1 April 2024. This investment in subsidiary company consists of 5,000,000 shares representing the entire stated capital of SLT Digital Services (Private) Limited in 2023.

- (d) This investment in subsidiary company consists of 30,000,000 shares representing 99.99% of stated capital of Sri Lanka Telecom (Services) Limited.
- (e) This investment in subsidiary company consists of 50,000 shares representing the entire stated capital of SLT Human Capital Solutions (Private) Limited.
- (f) This investment in subsidiary company consists of 1,500,001 shares amounting to LK R 15 Mn. representing the entire stated capital of SLT Property Management (Private) Limited. This investment is fully impaired.
- (g) This investment in subsidiary company consists of 199,955 shares representing the 100% stated capital of Xyntac Singapore Pte. Ltd.
- (h) This investment in subsidiary Company consists of 106,974,618 shares representing the 87.59% holding of the issued share capital of eChannelling PLC.

Remaining 12.41% of the issued share capital of eChannelling PLC belongs to non-controlling interests.

- (i) On 29 of August 2024 the Company sold 100% of its investments in Talentfort (Private) Limited. The investment in subs subsidiary Company consists of one share representing the 100% holding of the issued share capital of TalentFort (Private) Limited owned by SLT Human Capital Solution (Private) Limited wholly owned subsidiary of SLT in 2023.

18.2 Investments in associates

Galle Submarine Cable Depot (Private) Limited (GSCDPL) engages in the business of providing services related to storage of spare submersible plant for the repair and maintenance of submarine telecommunication cable systems under South East Asia Indian Ocean Cable Maintenance Agreement. The Company's 40% interest in GSCDPL is accounted for using the equity method in the Company's Financial Statements.

	Group/Company	
	2024	2023
As at 1 January	514	439
Share of profit from associate company	1	75
As at 31 December	515	514

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

19. Other Investments

Current investments

	Group		Company	
	2024	2023	2024	2023
Fixed deposits/repo	868	117	830	–
	868	117	830	–

Group Fixed deposits with a carrying value of LKR 38 Mn. (2023 – LKR 117 Mn.) is in local currency. Group Fixed deposits in foreign currency with a carrying value of LKR 830 Mn. (2023 – Nil.). All the fixed deposits referred in this note are not matured as at 31 December 2024 and invested for a period of 3 – 12 months.

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Fixed deposits – Restricted at bank	07.38 – 11.50	08.65 – 26.00	8.75 – 11.50	11.50 – 26.00
Fixed deposits – LKR	07.00 – 17.00	10.00 – 22.00	–	20.00
Fixed deposits – USD	02.87 – 10.50	1.00 – 12.00	5.00 – 10.50	5.00 – 12.00
Repurchase agreement – Repo	–	15.5 – 19.05	–	15.5 – 19.05

The Group's exposure to credit and market risk and fair value information related to other investment are disclosed in Note 4.

20. Other Receivables

	Group		Company	
	2024	2023	2024	2023
Prepaid staff cost 1 January	1,189	846	1,189	846
Additions	229	666	229	666
Amortisation	(324)	(323)	(324)	(323)
Prepaid staff cost at 31 December	1,094	1,189	1,094	1,189
Employee loans	3,255	3,030	3,235	3,003
Prepaid staff cost	1,094	1,189	1,094	1,189
	4,349	4,219	4,329	4,192
Employee loans non-current	3,353	3,496	3,353	3,471
Employee loans current	996	723	976	721
	4,349	4,219	4,329	4,192

The Group provides loans to employees at concessionary rates. These employee loans are fair valued at initial recognition using Level II inputs. The fair value of the employee loans are determined by discounting expected future cash flows using market related rates for similar loans.

The difference between the cost and fair value of employee loans is recognised as prepaid staff cost and the amount is recognised in the statement of profit or loss for 2024 was LKR 324 Mn. (2023 – LKR 323 Mn.). This amount is recognised in the statement of profit or loss under salaries, wages, allowances and other benefits.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

21. Inventories

	Group		Company	
	2024	2023	2024	2023
Customer premises equipment	646	1,528	646	1,528
Cable and networks	1,410	1,548	1,216	1,366
Other consumables	1,560	1,530	724	703
	3,616	4,606	2,586	3,597
Provision for obsolescence and slow-moving items	(473)	(528)	(382)	(357)
As at 31 December	3,143	4,078	2,204	3,240

(a) Inventories include telecommunication hardware, consumables and office stationery. Inventory is stated net of provisions for slow-moving and obsolete items.

22. Trade and Other Receivables

	Group		Company	
	2024	2023	2024	2023
Domestic trade receivables	23,491	24,310	17,184	18,274
Foreign trade receivables	4,022	4,033	2,462	2,767
	27,513	28,343	19,646	21,041
Less: Provision for bad and doubtful receivables	(7,306)	(8,041)	(4,613)	(5,086)
Trade receivables – Net	20,207	20,302	15,033	15,955
Amount due from subsidiaries (Note 36.1.1)	–	–	2,264	2,399
Amount due from related companies [Note 36.2(b)]	149	149	149	149
Advances and prepayments [See Note(a) below]	6,546	7,102	3,070	2,267
Employee loans (Note 20)	996	723	976	721
Other receivables [See Note (b) below]	2,835	3,739	166	159
Amounts due within one year	30,733	32,015	21,658	21,650

(a) Advances and prepayments of the Company mainly consist of advances on foreign and local suppliers advances LKR 1,524 Mn. (2023 – LKR 942 Mn.), Advances on Frequency, Tower Leases and Operators of LKR 648 Mn. (2023 – LKR 439 Mn.) payments for software maintenance of LKR 433 Mn. (2023 – LKR 467 Mn.). Advances and prepayments of the Group mainly consist of advances on foreign and local suppliers advances LKR 1,948 Mn. (2023 – LKR 4,617 Mn.), payments for software maintenance of LKR 706 Mn. (2023 – LKR 467 Mn.). Prepaid TRC Frequency LKR 1,093 Mn. (2023 – LKR 780 Mn.) and free phone offer LKR 205 Mn. (2023 – LKR 265 Mn.).

(b) Other receivables of the Company consist of refundable deposits of LKR 159 Mn. (2023 – LKR 158 Mn.). Other receivables of the Group mainly consist of refundable deposits of LKR 337 Mn. (2023 – LKR 398 Mn.) and site rentals receivables from other operators LKR 1,837 Mn. (2023 – LKR 2,726 Mn.).

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

23. Cash and Cash Equivalents

	Group		Company	
	2024	2023	2024	2023
Cash at bank and in hand	1,964	4,086	812	1,572
Fixed deposits	6,582	8,291	2,535	3,758
	8,546	12,377	3,347	5,330

The Fixed deposit of the Group/Company in foreign currency include with a carrying value of LKR 2,212 Mn. (2023 – LKR 3,414), the fixed deposits of the Company with carrying value of LKR 323 Mn. (2023 – LKR 344 Mn.) are restricted at bank. The fixed deposit of the Group in LKR include with a carrying value of LKR 4,370 Mn. (2023 – LKR 4,533 Mn.).

For cash flow purpose:

23. (a) Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
Cash and cash equivalents	8,546	12,377	3,347	5,330
Bank overdrafts	(4,157)	(7,319)	(2,598)	(5,541)
	4,389	5,058	749	(211)

24. Borrowings

	Group		Company	
	2024	2023	2024	2023
Current (due within one year)				
Bank overdrafts	4,157	7,319	2,598	5,541
Bank borrowings and others [See Note 24 (e) below]	10,208	20,137	4,686	14,237
	14,365	27,456	7,284	19,778
Non-current (due after one year)				
Bank borrowings and others [See Note 24 (e) below]	57,360	36,318	49,500	34,851
	57,360	36,318	49,500	34,851
Total borrowings	71,725	63,774	56,784	54,629

(a) The interest rate exposure of the borrowings of the Group and the Company were as follows:

	Group		Company	
	2024	2023	2024	2023
– At fixed rates	22,575	14,169	10,284	14,169
– At floating rates	49,150	49,605	46,500	40,460
	71,725	63,774	56,784	54,629

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

The currency exposure of the borrowings of the Group and the Company as at the reporting date were as follows:

	Group		Company	
	2024	2023	2024	2023
Foreign currency	–	–	–	–
Local currency	71,725	63,774	56,784	54,629
	71,725	63,774	56,784	54,629

(b) Effective interest rates of the Group and the Company are as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Average effective interest rates:				
– Bank overdrafts	10.01-13.70	20.35-19.13	10.01	19.13
– Bank borrowings – (USD loans)	–	LIBOR+1.95%	–	–
– Bank borrowings – (LKR loans)	AWPLR+0.2%+ AWPLR+1%, 10.15%-11.47%	AWPLR+1%, AWPLR+0.5%, 14%	11.47	21.87
– Debenture	12.75	12.75	12.75	12.75
– Lease liabilities	–	12.50	–	12.50

(c) Maturity analysis of the Group and the Company is as follows:

	Group		Company	
	2024	2023	2024	2023
Maturity of non-current borrowings (excluding finance lease liabilities):				
– Between 1 and 2 years	5,919	7,509	1,466	7,109
– Between 3 and 5 years	19,868	19,647	16,461	18,580
– Over 5 years	31,573	9,162	31,573	9,162
	57,360	36,318	49,500	34,851

(d) Movement of the borrowings is given below – Group

	Borrowings	Bank overdraft	Total
As at 1 January 2024	56,455	7,319	63,774
– Additions during the year	63,500	103,366	166,866
– Net repayment during the year	(52,387)	(106,529)	(158,916)
Foreign exchange loss	–	–	–
	67,568	4,156	71,724

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(e) Movement of the borrowings is given below – Company

	Borrowings	Bank overdraft	Total
As at 1 January 2024	49,088	5,541	54,629
– Additions during the year	36,500	89,664	126,164
– Net repayment during the year	(31,402)	(92,607)	(124,009)
	54,186	2,598	56,784

(f) During the year company, drew down LKR 31,500 Mn. from the Syndicate term loan and LKR 5,000 Mn. from short-term loans.

(g) The Company's unutilised short-term facilities and long-term facilities as at 31 December 2024 were LKR 21,192 Mn. and LKR 7,500 Mn. respectively (2023 – LKR 6,552 Mn. and LKR-Nil). The Group's unutilised short-term facilities and long-term facilities as at 31 December 2024 LKR 26,588 Mn. and LKR 10,250 Mn. respectively (2023 – LKR 7,697 Mn. and LKR-Nil).

(h) The loan covenants include submission of audited Financial Statements to the lenders within a specified period from the financial year end, maintenance of covenant ratios and to maintain adequate accounting records in accordance with Sri Lanka Accounting Standards.

(i) The Directors believe that the Company and the Group will have sufficient funds available to meet its present loan commitments.

(j) Lease liabilities of the Company and the Group are effectively secured by the lessor against the rights to the title of the asset.

(k) No assets have been pledged as a collateral for borrowings in the Group/Company.

25. Deferred Tax Liabilities and Assets

Recognised deferred tax (assets) and liabilities

Deferred tax (assets) and liabilities are calculated on all taxable and deductible temporary differences arising from differences between accounting bases and tax bases of assets and liabilities. Deferred tax is provided under the liability method using a principal tax rate of 30% (for the year 2023 – 30%).

The movement in the deferred tax account is as follows:

	Group		Company	
	2024	2023	2024	2023
As at 1 January	9,136	8,901	7,582	8,002
Other adjustments	–	(144)	–	(101)
Written off deferred tax assets of subsidiaries	288	–	–	–
Release to statement of comprehensive income (Note 11)	2,223	338	907	(436)
Release to statement of other comprehensive income (Note 11)	(35)	41	97	118
As at 31 December	11,612	9,136	8,586	7,582

The amounts shown in the Statement of Financial Position represents the following:

	Group		Company	
	2024	2023	2024	2023
Deferred tax liabilities – Non-current	11,626	9,501	8,586	7,582
Deferred tax liabilities – Current	–	–	–	–
Deferred tax assets	(14)	(365)	–	–
	11,612	9,136	8,586	7,582

The taxable and deductible temporary differences mainly arise from property, plant and equipment, deferred income, provision for defined benefit obligations and other provisions.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Deferred tax assets and liabilities of the Group are attributable to the following:

Group	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
Property, plant and equipment	–	–	18,575	14,853	18,575	14,853
SLFRS 16 – Leases	–	–	(77)	(4)	(77)	(4)
Defined benefit obligations	(1,344)	(1,189)	–	–	(1,344)	(1,189)
Provisions	(1,657)	(1,540)	–	–	(1,657)	(1,540)
Deferred income	(148)	(472)	–	–	(148)	(472)
Tax losses	(4,254)	(2,773)	–	–	(4,254)	(2,773)
Written off deferred tax assets of subsidiaries	–	–	288	–	288	–
Rate change adjustment	292	243	–	–	292	243
Other adjustment	–	–	(63)	18	(63)	18
Tax (assets)/liabilities before set-off	(7,111)	(5,731)	18,723	14,867	11,612	9,136
Set-off of tax	7,111	5,731	(7,111)	(5,731)	–	–
Net tax (assets)/liabilities	–	–	11,612	9,136	11,612	9,136

Movement in deferred tax balances during the year – Group

	Balance 1 January 2023	Recognised in comprehensive income	Recognised in other comprehensive income	Balance as at 31 December 2023	Recognised in profit or loss	Recognised in other comprehensive income	Balance 31 December 2024
Property, plant and equipment	12,396	2,457	–	14,853	3,722	–	18,575
SLFRS 16 – Leases	49	(53)	–	(4)	(73)	–	(77)
Defined benefit obligations	(1,017)	(213)	41	(1,189)	(120)	(35)	(1,344)
Provisions	(1,707)	166	–	(1,540)	(117)	–	(1,657)
Deferred income	(515)	43	–	(472)	324	–	(148)
Tax losses	100	(2,164)	–	(2,063)	(1,481)	–	(3,544)
Adjustment to tax losses	(710)	–	–	(710)	–	–	(710)
Written off deferred tax assets of subsidiaries	–	–	–	–	–	–	288
Tax credit	(877)	–	–	(877)	–	–	(877)
Tax credit claimed	877	–	–	877	–	–	877
Rate change adjustment	243	–	–	243	49	–	292
Other adjustments	62	–	–	18	(81)	–	(63)
	8,901	236	41	9,136	2,223	(35)	11,612

Deferred tax assets and liabilities of the Company are attributable to the following:

Company	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
Property, plant and equipment	–	–	13,872	12,148	13,872	12,148
Defined benefit obligations	(927)	(904)	–	–	(927)	(904)
Provisions	(823)	(878)	–	–	(823)	(878)
Deferred income	(328)	(472)	–	–	(328)	(472)
Tax losses	(3,432)	(2,535)	–	–	(3,432)	(2,535)
Rate change adjustment	224	224	–	–	224	224
Tax (assets)/liabilities before set-off	(5,286)	(4,565)	13,872	12,148	8,586	7,582
Set-off of tax	5,286	4,565	(5,286)	(4,566)	–	–
Net tax (assets)/liabilities	–	–	8,586	7,582	8,586	7,582

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Movement in deferred tax balances during the year – Company

	Balance 1 January 2023	Recognised in comprehensive income	Recognised in other comprehensive income	Balance 31 December 2023	Recognised in profit or loss	Recognised in other comprehensive income	Balance 31 December 2024
Property, plant and equipment	10,861	1,286	–	12,147	1,725	–	13,872
Defined benefit obligations	(821)	(201)	118	(904)	(120)	97	(927)
Provisions	(1,254)	376	–	(878)	55	–	(823)
Deferred income	(515)	43	–	(472)	144	–	(328)
Tax losses	161	(2,041)	–	(1,880)	(897)	–	(2,777)
Adjustment to tax loss	(655)	–	–	(655)	–	–	(655)
Tax credit	(877)	–	–	(877)	–	–	(877)
Claimed from tax credit	877	–	–	877	–	–	877
Rate change adjustment	224	–	–	224	–	–	224
	8,001	(537)	118	7,582	907	97	8,586

26. Deferred Income

- The connection fees relating to Public Switch Telephone Network (PSTN) are deferred over a period of 12.5 years (2023 – 15 years). LKR Revenue is recognised on an annual basis irrespective of the date of connection.
- Revenue from the sale of prepaid credit and internet is deferred until such time as the customer uses the call time, downloadable quota or the credit expires.
- Backhauling revenue which is leasing of SEA-ME-WE 3 cable capacity is recognised on a straight line basis over the period of the contracts. Amounts received in advance for any services are recorded as deferred revenue.
- IRU revenue relating to leasing of SEA-ME-WE 4 cable capacity is recognised on a straight-line basis over the period of the contracts. Amounts received in advance for any services are recorded as deferred revenue. In the event that a customer terminates an IRU prior to the expiry of the contract and releases the Company from the obligation to provide future services, the remaining unamortised deferred revenue is recognised in the period the contract is terminated.

The Deferred income movements are provided below:

	2024	
	Group	Company
Balance as at 1 January 2024	4,927	1,575
Additions	35,010	372
Amortisations	(36,245)	(851)
Balance as at 31 December 2024	3,692	1,096

	Group		Company	
	2024	2023	2024	2023
At the end of the year				
Representing deferred income – Current	2,819	3,677	223	325
Representing deferred income – Non-current	873	1,250	873	1,250
	3,692	4,927	1,096	1,575

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(a) Contract cost assets

The contract cost asset movements are provided below:

	2024	
	Group	Company
Balance as at 1 January 2024	2,602	496
Additions	1,424	92
Amortisations	(1,863)	(238)
Balance as at 31 December 2024	2,163	350

	Group		Company	
	2024	2023	2024	2023
At the end of the year				
Representing contract cost assets – Non-current	1,013	1,091	218	350
Representing contract cost assets – Current	1,150	1,511	132	146
	2,163	2,602	350	496

(b) Contract liabilities

As per SLFRS 15 revenue is recognised when the individual performance obligations specified in a contract are satisfied. The total consideration received or receivable has been allocated between separate performance obligations based on the relative stand-alone selling price.

The figure shows the contract liabilities due to unsatisfied performance obligations as at 31 December 2024.

	Group LKR Mn.	Company LKR Mn.
Opening adjustment 1 January 2024	3,012	2,732
Additions	1,492	1,304
Amortisations	(1,703)	(1,347)
Balance as at 31 December 2024	2,801	2,689

	Group		Company	
	2024	2023	2024	2023
At the end of the year				
Representing contract liabilities – Non-current	1,671	1,776	1,671	1,776
Representing contract liabilities – Current	1,130	1,236	1,018	956
	2,801	3,012	2,689	2,732

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

27. Trade and Other Payables

	Group		Company	
	2024	2023	2024	2023
Amounts due within one year				
Domestic trade payables	7,603	7,564	30	24
Foreign trade payables	3,492	7,710	944	2,511
Amount due to subsidiaries (Note 36.1.1)	–	–	9,325	5,601
Amount due to related companies [Note 36.2 (b)]	121	121	121	121
Capital expenditure payables [See Note (a) below]	4,172	9,655	2,839	7,685
Social security and other taxes [See Note (b) below]	1,618	1,605	1,609	1,452
Other payables [See Note (c) below]	10,896	12,047	8,996	10,884
	27,902	38,702	23,864	28,278
Amounts due after one year				
International direct dialling and VoIP deposits	8	218	8	218
Advance on RDA and other contracts	743	872	743	872
Unclaimed dividend	244	244	244	244
Foreign trade payable	–	891	–	–
Domestic trade payables	989	643	–	–
Capital expenditure payables	1,533	2,357	1,533	2,065
	3,517	5,225	2,528	3,399

(a) Capital expenditure payables of the Company mainly consist of contractors' payables and retention of LKR 1,303 Mn. (2023 – LKR 2,998 Mn.) and advances on network restoration after road works of LKR 122 Mn. (2023 – LKR 48 Mn.) and LC Capex payable LKR 1,414 Mn. (2023 – LKR 4,639 Mn.) Capital expenditure payables of the Group mainly consist of contractors' payable and retention of LKR 2,333 Mn. (2023 – LKR 4,507 Mn.) and advances on network restoration after road works of LKR 122 Mn. (2023 – LKR 48 Mn.) and LC Capex payable LKR 1,778 Mn. (2023 – LKR 4,639 Mn.).

(b) Social security and other taxes of the Company mainly consist of Telecommunication Levy (TL) of LKR 241 Mn. (2023 – LKR 239 Mn.),

Cess LKR 110 Mn. (2023 – LKR 110 Mn.), VAT Payable of LKR 671 Mn. (2023 – LKR 710 Mn.), Social Security Contribution Levy (SSCL) of LKR 151 Mn. (2023 – LKR 150 Mn.), EPF payable of LKR 149 Mn. (2023 – LKR 150 Mn.). Social security and other taxes of the Group mainly consist of Telecommunication Levy (TL) of LKR 391 Mn. (2023 – LKR 353 Mn.), Cess of LKR 157 Mn. (2023 – LKR 182 Mn.), VAT payable of LKR 1,071 Mn. (2023 – LKR 869 Mn.) SSCL LKR 281 Mn. (2023 – LKR 254 Mn.) EPF payable of LKR 158 Mn. (2023 – LKR 197 Mn.).

(c) Other payables of the Company mainly consist of dividend payable to the Government of Sri Lanka of LKR 244 Mn. (2023 – LKR 244 Mn.), payable for unpaid supplies of LKR 4,057 Mn. (2023 – LKR 6,122 Mn.), International

Telecommunication Operators' Levy payable of LKR 40 Mn. (2023 – LKR 59 Mn.), and accrued expenses and other payables of LKR 567 Mn. (2023 – LKR 304 Mn.). Provision for Salary related expenses of LKR 963 Mn. (2023 – LKR 688 Mn.), Provision for Operational and Marketing Expenses of LKR 953 Mn. (2023 – LKR 1,033 Mn.) Provision for Tower Rental Operators of LKR 206 Mn. (2023 – LKR 307 Mn.) Other payables of the Group mainly consist of dividend payable to the Government of Sri Lanka of LKR 244 Mn. (2023 – LKR 244 Mn.), payable for unpaid supplies of LKR 5,856 Mn. (2023 – LKR 7,281 Mn.), International Telecommunication Operators' Levy payable of LKR 86 Mn. (2023 – LKR 173 Mn.) and accrued expenses and other payables of LKR 2,689 Mn. (2023 – LKR 1,346 Mn.).

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

28. Vendor Financing

	Group		Company	
	2024	2023	2024	2023
Non-current (due after one year)	7,502	12,770	7,502	12,770
Current (due within one year)	6,536	7,278	2,015	4,178
	14,038	20,048	9,517	16,948

(a) The interest rate exposure of the vendor financing of the Group and the Company were as follows:

	Group		Company	
	2024	2023	2024	2023
– At floating rates	9,517	17,670	9,517	16,948
– At fixed rates	4,521	2,378	–	–
	14,038	20,048	9,517	16,948

The currency exposure of the borrowings of the Group and the Company as at the reporting date were as follows:

	Group		Company	
	2024	2023	2024	2023
Local currency	9,517	16,948	9,517	16,948
Foreign currency	4,521	3,100	–	–
	14,038	20,048	9,517	16,948

(b) Effective interest rates of the Group and the Company are as follows:

	Group		Company	
	2024	2023	2024	2023
Average effective interest rates:				
– SLT	AWPLR + 0.75 p.a.	AWPLR + 0.75 p.a.	AWPLR + 0.75 p.a.	AWPLR + 0.75 p.a.
– Mobitel	SOFR + 2%, 5%, 5.5%	SOFR + 2%, 5.5%	–	–

(c) Maturity analysis of the Group and the Company is as follows:

	Group		Company	
	2024	2023	2024	2023
Maturity of non-current vendor financing				
– Between 1 and 2 years	1,567	3,247	1,567	3,247
– Between 3 and 5 years	4,863	6,045	4,863	6,045
– Over 5 years	1,072	3,478	1,072	3,478
	7,502	12,770	7,502	12,770

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(d) Terms and conditions of the vendor financing arrangements.

Name of the Vendor	Group 2024	Payment Term	Security or guarantees provided
Browns Engineering and Construction (Pvt) Ltd.	9,302	Capital – Two year grace and Quarterly repayment over seven years	No
Unit Rate Contractors	215	Capital – Bullet repayment after two years	No
Huawei International Pte. Ltd.	3,087	Capital – Hundred percent (100%) of each shipment value shall be paid by D/A within 360 Calendar Days from the Bill of Lading Date.	No
ZTE Corporation	1,434	Capital – LKR 728Mn. Hundred percent (100%) of each shipment value shall be paid by D/A within 360 Calendar Days from the AWB Date/Bill of Lading Date. Capital – LKR 706Mn. Hundred percent (100%) of each shipment value shall be paid by D/A within 360 Calendar Days from the AWB Date/Bill of Lading Date.	No

29. Employee Benefits

	Group		Company	
	2024	2023	2024	2023
Total employee benefit liability as at 1 January	6,117	5,733	5,221	4,846
Movement in present value of employee benefit liabilities				
Current service cost	354	342	267	255
Interest cost	806	1,039	679	873
Actuarial (gain)/loss	(222)	(384)	(322)	(295)
Benefit paid during the year	(738)	(613)	(573)	(458)
As at 31 December	6,317	6,117	5,272	5,221
Expenses recognised in the income statement				
Current service cost	354	342	267	255
Interest cost	806	1,039	679	873
	1,160	1,381	946	1,128
Recognised in other comprehensive income				
Actuarial (gain)/loss	(222)	(384)	(322)	(295)
	(222)	(384)	(322)	(295)

The principal actuarial assumptions used were as follows:

	Group		Company	
	2024 percentage	2023 percentage	2024 percentage	2023 percentage
Discount rate (long-term)	9.0-12.0	13.0-14.0	11.0	13.0
Future salary increases	8.0-10.0	10.0-12.0	10.0	12.0
Expected average working life of employees - Years	8.5-11.4	11.7-10.3	9.0	9.2
Retirement age of the employees - Years	55-60	55-60	55-60	55-60

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

In addition to above, demographic assumptions such as mortality, withdrawal, retirement age were considered for the actuarial valuation. In 2024, 1967/1970 Mortality Table issued by the Institute of Actuaries London (2023 – 1967/1970 Mortality Table) was taken as the base for the valuation.

The provisions for defined obligations of Sri Lanka Telecom PLC, Sri Lanka Telecom (Services) Limited and Mobitel (Private) Limited, are actuarially valued by Messrs Actuarial & Management Consultants (Pvt) Ltd. and Messrs Piyal S Goonetilleke and Associates respectively.

The provision for defined benefit obligations is not externally funded.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below.

The sensitivity of the statement of profit or loss and other comprehensive income and the statement of financial position is the effect of the assumed changes in discount rate and salary increment rate as depicted in the following table:

Sri Lanka Telecom PLC

	Effect on charge to the statement of profit or loss and other comprehensive income		Effect on net defined benefit liability	
	Increase	Decrease	Increase	Decrease
2024				
Discount rate (Change by 1%)	(248)	272	(248)	272
Salary increment rate (Change by 1%)	295	(273)	295	(273)

	Effect on charge to the statement of profit or loss and other comprehensive income		Effect on net defined benefit liability	
	Increase	Decrease	Increase	Decrease
2023				
Discount rate (Change by 1%)	(261)	287	(261)	287
Salary increment rate (Change by 1%)	309	(285)	309	(285)

Mobitel (Private) Limited

	Effect on charge to the statement of profit or loss and other comprehensive income		Effect on net defined benefit liability	
	Increase	Decrease	Increase	Decrease
2024				
Discount rate (Change by 1%)	(67)	76	(67)	76
Salary increment rate (Change by 1%)	74	(67)	74	(67)

	Effect on charge to the statement of profit or loss and other comprehensive income		Effect on net defined benefit liability	
	Increase	Decrease	Increase	Decrease
2023				
Discount rate (Change by 1%)	(64)	74	(64)	74
Salary increment rate (Change by 1%)	78	(69)	78	(69)

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

Maturity analysis of the payments

The following payments are expected on employee benefit plan - gratuity in future years.

	Group		Company	
	2024	2023	2024	2023
Within the next 12 months	886	699	782	578
Between 1 and 2 years	1,382	1,439	1,224	1,264
Between 3 and 5 years	1,728	1,570	1,432	1,373
Between 6 and 10 years	1,537	1,558	1,187	1,271
Beyond 10 years	784	850	647	735
Total Expected Payments	6,317	6,117	5,272	5,221
Weighted average duration of defined benefit obligation (years)	6 to 9	5 to 9	5	6

30. Grants

	Group
	2024
Balance as at 1 January 2024	
Grants received during the year	138
Amortised during the year	(27)
Balance as at 31 December 2024	111

30.1 Grants received for the Group is as follows:

Mobitel (Private) Limited – Grants were received from the Telecommunications Regulatory Commission of Sri Lanka, during the year for 2024 for constructing fourteen tower sites namely Kalatuwakanda, Gillimale South, Walleketiya, Kaduruwewa, Pothuwila, Panahanduwa, Wathurawa, Ihalagalagama, Panana, Kuragala, Palugahawewa, Passaramulla, Gurugoda, and Hiruwalpola in Kurunegala and Rathnapura Districts under Gamata Sannivedanaya Project.

31. Insurance Reserves

	Group/Company	
	2024	2023
As at 1 January	300	300
Transferred to retained earnings	–	–
As at 31 December	300	300

32. Stated Capital

	Group/Company	
	2024	2023
Issued and fully paid		
1,804,860,000 ordinary shares	18,049	18,049

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

33. Cash Generated from Operations

Reconciliation of profit before tax to cash generated from operations:

	Note	Group		Company	
		2024	2023	2024	2023
Profit before tax		6,037	(2,651)	3,020	(1,611)
Adjustments for:					
Depreciation on property, plant and equipment	7	23,527	23,172	16,899	16,790
Depreciation on right-of-use assets	7	3,990	3,333	1,024	600
Amortisation of intangible assets	7	2,314	2,396	1,013	1,143
Provision of bad and doubtful debts	7	1,013	1,247	1,324	830
Provision/(reversals) of inventory	7	178	(91)	180	(95)
Finance costs	8	8,979	11,292	6,977	9,772
Foreign exchange (gain)/loss	9	(699)	(629)	136	420
Realised exchange (gain)/loss		846	(1,293)	(122)	(1,750)
Interest income	10	(1,087)	(1,685)	(812)	(1,280)
Connection fees less amortisation		(1,235)	(394)	(479)	(115)
Profit on sale of property, plant and equipment		(378)	(540)	(200)	(217)
Impairment/(Reversal) of property, plant and equipment	7	(91)	507	(91)	480
Share of profit from associate company	18.2	(1)	(75)	(1)	(75)
Impairment of investments		–	–	150	–
Provision for retirement benefit obligations	29	1,160	1,381	946	1,128
Movement in grant	30	(111)	–	–	–
SLFRS 15 adjustment		228	929	103	472
Gain on disposal of Talentfort (Pvt) Ltd.	12	(45)	–	–	–
		44,625	36,899	30,067	26,492
Changes in working capital:					
– Receivables and prepayments		789	(670)	(1,221)	951
– Inventories		1,047	1,071	1,146	1,035
– Payables		(12,739)	(3,994)	(3,406)	(3,206)
Cash generated from operations		33,722	33,306	26,586	25,272

34. Capital Commitments

The Group and the Company have purchase commitments in the ordinary course of business as at 31 December as follows:

	Group		Company	
	2024	2023	2024	2023
Property, plant and equipment				
– Approved but not contracted	6,931	15,188	5,135	7,960
– Approved and contracted	4,717	19,009	3,049	14,218
	11,648	34,197	8,184	22,178

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

	Group		Company	
	2024	2023	2024	2023
Operating lease commitments				
The maturity analysis of the future minimum lease payments and other commitment payments are as follows:				
– Not later than one year	3,339	3,716	309	684
– Later than one year and not later than five years	3,579	6,156	25	134
– Later than five years	2,301	–	–	–
	9,219	9,872	334	818

Above cash flows are the contractual gross and undiscounted cash flows and such undiscounted cash flows differ from the discounted amounts included in the statement of financial position.

Other financial commitments

Except for any regular maintenance contracts entered into with third parties in the normal course of business, there are no other material financial commitments that requires separate disclosure.

35. Contingencies

(a) 12/2008 CBCU, an inquiry by Sri Lanka Customs – A consignment of CDMA equipment was detained in October 2008 by the Customs Authority. Subsequently the equipment were cleared pending the Inquiry, based on a cash deposit and bank guarantee submitted by SLT. The Order was delivered in October 2014 imposing a mitigated forfeiture of LKR 1,820,502,062.00 on SLT. SLT has filed Case in Court of Appeal under CA/writ/387/2014 against this Order and Interim Order was issued by Court on 9 March 2016, precluding Respondents from enforcing order dated 17 October 2014. In September 2020, the Court of Appeal gave the judgement in favour of SLT and the order given by the Customs Authority was dismissed. The Custom Authority appealed to the Supreme Court against the order. Under the case bearing no SC/SPL/LA/224/2020 – on 18 November 2022 the Supreme Court refused to grant leave and dismissed the case. However Customs have filed an application to review the decision on 17 February 2023. Case is fixed to Support on 23 June 2025.

(b) Customs Case No. ADP/031/2009 – Goods valued at USD 996,785.65, which was imported under the last consignment of equipment for NGN Phase II expansion project, was detained by the Customs in May 2009. Subsequently, the equipment was cleared in July 2009. Pending the Inquiry. Presently awaiting the decision of the Customs Department.

(c) Debt Recovery Officers who were attached to SLT had filed legal proceedings in Labour Department (Labour Commissioner) and Labour Tribunal and number of proceeding initiated under each forum are 49 and 21 respectively. The relief claimed includes EPF, ETF and compensation with regard to proceedings initiated before the Labour Commissioner and includes re-instatement or compensation under the proceedings before Labour Tribunal. An appeal bearing No. WR 232/2015 filed by SLT in the Court of Appeal was dismissing and SLT filed an appeal to Supreme Court bearing case No. SC (SPL) LA 02/2020 against the order in WR 232/2015. Special Leave to Appeal was obtained by SLT on 17 March 2021 in case No. SC (SPL) LA 02/2020. The new Case No. is SC/Appeal/41/2021. Case is fixed for argument on 8 October 2025.

(d) Several Unions (11) at SLT has made a written Complaint to Labour Commissioner dated 10 April 2023, complaining that the employees at Talentfort (Pvt) Ltd. has not been recruited to SLT with other HCS employees at the recruitment process in year 2020 and thereby caused an injustice to the said Talentfort employees. Under the said complaint, the complaints have complained that there were 186 employees worked until year 2020 and It

has been dropped-down to 86 employees by the year 2023. Currently working only 61 employees out of these 86 employees. An inquiry was held by the Labour Officer under the inquiry No. CS/COA/A/02/213/23 pertaining to 86 employees were employed at Talentfort (Pvt) Ltd. by the year 2023. Written submissions on behalf of SLT and Talentfort employees were filed on 4 September 2023 and a preliminary objection was taken up on behalf of SLT that the Talentfort employees are not the members of the Complainant Unions and thereby the said Unions have no right to appear on behalf of Talentfort employees. The matter is pending for order.

In addition to the above referred cases, there are other claims by employees and third parties for damages and other relief. In the opinion of the Directors' none of these actions are likely to result in a material liability to the Company and its subsidiaries.

With regard to cases detailed above, pending the outcome of the appeals and hearings, no provisions have been recognised in the Financial Statements up to 31 December 2024.

The Company has provided a corporate guarantees on behalf of its subsidiary as follows:

SLT PLC has provided a corporate guarantee of LKR 200 Mn. (2023 – LKR 200 Mn.) for Mobitel (Private) Limited. for Term Loan granted by Mobitel (Private) Limited. to Sri Lanka Telecom (Services) Ltd.

SLT PLC has provided a corporate guarantee of USD 2.6 Mn. (2023 – Nil.) for Bank of Ceylon for LC facility granted by Bank of Ceylon to SLT VisionCom (Pvt) Ltd. SLT VisionCom (Pvt) Ltd. is amalgamated with Sri Lanka Telecom (Services) Ltd. with effect from 1 April 2024.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

36. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. A related party transaction takes place with a transfer of resources or obligations between related parties, regardless of whether a price is charged.

36.1 Transactions with subsidiaries

(a) Mobitel (Private) Limited

	Company	
	2024	2023
Sale of goods and services:		
Provision of Infrastructure	6,100	5,859
Interconnection charges	47	71
ERP rental	–	202
	6,147	6,132
Purchase of goods and services:		
Call charges on official mobile phone	157	166
Interconnection charges	402	441
Antenna tower space and infrastructure	766	429
M-Cash, Building rent and others	172	4
Data anchoring	239	443
	1,736	1,483

As per the TRC approval dated 19 May 2014, Mobitel is entitled to receive discounts if the Company uses more than 3,500 E1 Links.

Further, Mobitel receives discounts on infrastructure services provided by Sri Lanka Telecom PLC.

(b) SLT Digital Services (Pvt) Ltd

	Company	
	2024	2023
Sale of goods and services:		
Supply of services	10	48
Purchase of goods and services:		
Event management and other services	–	90

SLT Digital Services (Pvt) Ltd. provides event management services to SLT PLC. As per the agreement, SLT Digital Services (Pvt) Ltd. is entitled to receive a retainer for the services provided.

SLT Digital Services (Pvt) Ltd. is amalgamated with Sri Lanka Telecom (Services) Ltd. with effect from 1 April 2024.

(c) Sri Lanka Telecom (Services) Ltd

	Company	
	2024	2023
Sale of goods and services:		
Supply of services	98	29
Purchase of goods and services:		
Total Network Solutions	2,345	2,162
Service provisioning	2,960	–
Event management and other services	1	–

SLT PLC has provided a corporate guarantee of LKR 200 Mn. (2023 – LKR 200 Mn.) for Mobitel (Private) Limited. For term loan granted by Mobitel (Private) Limited. To Sri Lanka Telecom (Services) Ltd.

(d) Talentfort (Pvt) Ltd

	Company	
	2024	2023
Sale of goods and services:		
Supply of services	15	25
Purchase of goods and services:		
Provision of manpower service	41	104

(e) SLT VisionCom (Pvt) Ltd

	Company	
	2024	2023
Sale of goods and services:		
Supply of services	11	42
Purchase of goods and services:		
Service provisioning	977	3,938

Service fees/revenue share:

Sri Lanka Telecom PLC recognised 50% of IPTV revenue as revenue share payable to SLT VisionCom (Pvt) Ltd. from 1 January 2021.

Supply of services provided for the above-mentioned subsidiaries include voice, broadband, data and providing building spaces.

SLT PLC has provided a corporate guarantee of USD 2.6 Mn. (2023 – Nil.) for Bank of Ceylon for LC facility granted by Bank of Ceylon to SLT VisionCom (Pvt) Ltd. SLT VisionCom (Pvt) Ltd. is amalgamated with Sri Lanka Telecom (Services) Ltd. with effect from 1 April 2024.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

(f) Fees for secondment of personnel and services provided to/by SLT PLC

	Company	
	2024	2023
SLT Digital Services (Private) Limited	8	45
SLT VisionCom (Private) Limited	8	38
SLT Services (Private) Limited	72	24
Talentfort (Private) Limited	13	24
	101	131

36.1.1 Outstanding balances arising from sale/purchase of services

	Company	
	2024	2023
Receivable from subsidiaries:		
Mobitel (Private) Limited	2,047	1,941
SLT Digital Services (Private) Limited	–	61
SLT VisionCom (Private) Limited	–	343
Sri Lanka Telecom (Services) Limited	215	33
SLT Property Management (Private) Limited	–	7
Talentfort (Private) Limited	–	13
SLT Human Capital Solutions (Private) Limited	2	–
	2,264	2,399
Payable to subsidiaries:		
Mobitel (Private) Limited	7,138	3,072
SLT Digital Services (Private) Limited	–	84
SLT VisionCom (Private) Limited	–	1,859
Sri Lanka Telecom (Services) Limited	2,187	576
Talentfort (Private) Limited	–	10
	9,325	5,601

36.2 Transactions with other related parties

(a) Maxis Communications Berhad and its subsidiaries

	Group		Company	
	2024	2023	2024	2023
Sale of goods and services:				
International incoming traffic	5	8	8	8
	5	8	8	8

(b) Outstanding balance arising from sale/purchase services

	Group		Company	
	2024	2023	2024	2023
Receivable from related company:				
Maxis Communications Berhad and its subsidiaries	149	149	149	149
Payable to related company:				
Maxis Communications Berhad and its subsidiaries	121	121	121	121

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2024, the Group recognised provision for expected credit losses of (LKR Nil) relating to amounts owed by related parties (2023 – Nil).

(c) Government-related key institutions

The Government of Sri Lanka holds 50.23% of the voting rights of the Company as at 31 December 2024 through the secretary to the Treasury and those have significant influence over the financial and operating policies of the Company. Accordingly, the Company has considered the Government of Sri Lanka as a related party according to LKAS 24 – “Related Party Disclosure”.

During the year ended 31 December 2024, the Company has carried out transactions with the Government of Sri Lanka and other Government related entities in the ordinary course of business.

The Company identified individually significant transactions with Key Government related entities as given below:

- Revenue from provision of telecommunication services during the year ended 31 December 2024 amounted to LKR 3,835 Mn. (2023 – LKR 4,700 Mn.) and credit receivables as at 31 December 2024 amounted to LKR 1,324 Mn. (2023 – LKR 2,560 Mn.)
- Deposits, repurchase agreements (Repo) and borrowings of the Group at/from Government banks amounted to LKR 3,402 Mn. (2023 – LKR 3,785 Mn.) and LKR 16,137 Mn. (2023 – LKR 17,990 Mn.) as at 31 December 2024.
- Dividend payable to the Government amounting to LKR 244 Mn. (2023 – LKR 244 Mn.)

The sales to and purchases from Government related key institutions are made on terms equivalent to those that prevail in arm's length transactions.

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

36.3 Transactions with Key Management Personnel

Key Management Personnel comprise the Directors and chief officers of the Company and the Group.

	Group		Company	
	2024	2023	2024	2023
Short-term benefits	630	719	408	402
Post-employment benefits	176	50	117	–
Salaries and other benefits	806	769	525	402
Loans granted	12	1	3	–

All transactions during the year and balances as at the reporting date between the following companies have been eliminated in preparing the consolidated Financial Statements:

- Mobitel (Private) Limited
- Sri Lanka Telecom (Services) Limited
- SLT Digital Services (Private) Limited
- SLT Human Capital Solutions (Private) Limited
- SLT VisionCom (Private) Limited
- SLT Property Management (Private) Limited
- eChannelling PLC
- Mobitel Technologies (Private) Limited
- Talentfort (Private) Limited
- Xyntac Singapore PTE LTD.

Related party transactions disclosed above should be read in conjunction with Note 18 to the Financial Statements.

37. Non-Uniform Accounting Policies

The impact of non-uniform accounting policies adopted by the subsidiary company has been adjusted in the consolidated financial statements as set out below:

Adjustment due to different accounting policies of the parent and the Group entity

- (a) Sri Lanka Telecom PLC accounts for refunds on Telecommunication Development Charge (TDC) on cash basis when the payment is received whereas Mobitel (Private) Limited recognises it in the statement of profit or loss and other comprehensive income on a straight-line basis.

Therefore, the recognition of the refund by Mobitel (Private) Limited was eliminated and is recognised on cash basis in the consolidated accounts.

	Group impact	
	2024	2023
Reversal of deferred revenue recognised in statement of profit or loss and other comprehensive income by Mobitel (Private) Limited	(21)	(21)

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

38. Fair Value Disclosure

Set out below is a comparison by class of the carrying amounts and fair values of the financial instruments that are carried in the Financial Statements.

	Carrying amount				Fair value			
	Group		Company		Group		Company	
	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets								
Trade and other receivables	24,187	24,938	18,588	19,383	24,187	24,938	18,588	19,383
Short-term deposits	868	117	830	–	868	117	830	–
Cash at bank and in hand	8,546	12,377	3,347	5,330	8,546	12,377	3,347	5,330
Total	33,601	37,432	22,765	24,713	33,601	37,432	22,765	24,713
Financial liabilities								
Borrowings	67,568	56,455	54,186	49,088	47,625	38,288	36,976	31,655
Trade and other payables	29,801	42,322	24,783	30,225	28,542	39,708	23,878	28,525
Bank overdrafts	4,157	7,319	2,598	5,541	4,157	7,319	2,598	5,541
Total	101,526	106,096	81,567	84,854	80,324	85,315	63,452	65,721

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following method and assumption was used to estimate the fair values:

Cash and bank balances, short-term deposits, trade receivables, trade payables (current) and bank overdraft approximate their carrying amounts lastly due to the short-term maturities of these investments.

Fair value of trade and other payables and borrowings have been arrived by discounting gross values by the year end AWFR rate and AWPR respectively.

The following table shows an analysis of assets recorded/disclosed at fair value by level of the fair value hierarchy.

As at 31 December 2024	Group			Company		
	Level 1 LKR	Level 2 LKR	Level 3 LKR	Level 1 LKR	Level 2 LKR	Level 3 LKR
Financial assets						
Trade and other receivables	–	24,187	–	–	18,588	–
Short-term deposits	–	868	–	–	830	–
Cash at bank and in hand	–	8,546	–	–	3,347	–
Total	–	33,601	–	–	22,765	–
Borrowings	–	47,625	–	–	36,976	–
Trade and other payables	–	28,542	–	–	23,878	–
Bank overdrafts	–	4,157	–	–	2,598	–
Total	–	80,324	–	–	63,452	–

Consolidated Statement of Cash Flows

(All amounts in Sri Lanka Rupees million)

As at 31 December 2023	Group			Company		
	Level 1 LKR	Level 2 LKR	Level 3 LKR	Level 1 LKR	Level 2 LKR	Level 3 LKR
Financial assets						
Trade and other receivables	–	24,938	–	–	19,383	–
Short-term deposits	–	117	–	–	–	–
Cash at bank and in hand	–	12,377	–	–	5,330	–
Total	–	37,432	–	–	24,713	–
Borrowings	–	38,288	–	–	31,655	–
Trade and other payables	–	39,708	–	–	28,525	–
Bank overdrafts	–	7,319	–	–	5,541	–
Total	–	85,315	–	–	65,721	–

Fair value of financial assets and liabilities not carried at fair value

The following describes the methodologies and assumptions used to determine fair values of those financial instruments which are not already recorded at fair value in the financial statements.

Assets for which fair value approximates carrying value

Financial assets and liabilities that have a short-term maturity, it is assumed that the carrying amounts approximate their fair values.

Fixed rate financial instruments

The fair value of fixed rate financial assets and liabilities carried at amortised cost are estimated by comparing market interest rates when they were first recognised with current market rates for similar financial instruments

Variable rate financial instruments

Variable rate is a fair measure which reflects market movements. Hence the carrying value represents the fair value of the variable rate instruments.

39. Events After the Reporting Date

Proposed dividend declaration

The Board of Directors of the Company has recommended a first and final dividend of LKR 0.25 per share (2023 – Nil) on voting shares of the Company to be paid by way of cash dividend for the financial year ended 31 December 2024.

Further, this dividend is to be approved at the Annual General Meeting to be held on 26 June 2025. This proposed final dividend has not been recognised as a liability as at 31 December 2024. Final dividend proposed for the year amounts to LKR 451 Mn. in Compliance with Sections 56 and 57 of Companies Act No.07 of 2007. As required by Section 56 of the Companies Act No. 07 of 2007, the Board of Directors of the Company satisfied the solvency test in accordance with the Section 57, prior to recommending the final dividend. A statement of solvency completed and duly signed by the Directors on 21 March 2025 has been audited by Messrs Ernst & Young on behalf of National Audit office.

Except as disclosed above, no other events have arisen since the statement of financial position date which require changes to, or disclosure in the Financial Statements.

Members voluntary winding up of SLT Property Management (Pvt) Ltd.

In line with the Board's strategic direction, Sri Lanka Telecom PLC had decided to liquidate SLT Property Management (Pvt) Ltd. by way of members 'voluntary winding up. SLT Property Management (Pvt) Ltd. has been dissolved on 22 April 2025.

Supplementary Information

210

Ten Year
Progress – Group

211

Investor Information

213

Portfolio of Lands

221

GRI Index

223

Abbreviations

224

Notice of Annual
General Meeting

Enclosed

Form of Proxy

Inner Back
Cover

Corporate
Information



Ten Year Progress – Group

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Financial position – Group										
Property, plant and equipment and investment properties	173,583	174,466	164,916	141,937	137,208	140,632	123,850	117,035	108,649	99,283
Total assets	239,161	246,338	240,584	219,941	204,456	209,019	180,435	159,206	142,910	126,545
Current assets	44,714	50,279	55,451	58,417	46,762	46,718	45,377	31,048	27,464	21,426
Current liabilities	54,817	81,379	73,425	55,432	46,686	56,949	52,378	57,885	45,226	33,082
Borrowings	71,725	63,774	47,295	46,589	55,057	61,676	55,835	41,811	32,940	24,395
Equity	91,475	88,385	92,488	93,976	84,281	78,167	73,720	71,404	68,678	65,240
Performance										
Revenue	111,148	106,418	107,710	102,348	91,119	85,948	81,445	75,741	73,801	68,022
Operating profit	11,189	4,102	12,518	13,844	11,632	8,539	7,613	3,918	5,726	6,789
Finance cost	8,979	11,292	4,894	3,022	2,902	2,067	239	159	250	270
Profit/(loss) before tax	6,037	(2,651)	10,588	12,818	9,713	8,216	7,169	5,528	6,497	5,515
Taxation	2,917	1,270	5,823	657	1,832	1,894	2,221	1,588	1,707	1,791
Profit/(loss) after tax	3,120	(3,921)	4,765	12,161	7,881	6,322	4,948	3,940	4,790	3,724
Cash flow										
Net operating cash flows	22,931	17,224	28,914	43,381	32,300	20,410	19,656	18,224	19,466	21,265
Net cash used in investing activities	25,839	32,676	40,768	30,001	15,034	28,278	22,890	27,415	24,347	14,375
Net cash used in/(from) financing activities	2,929	13,115	663	(7,381)	(9,003)	4,957	16,909	756	360	6,065
Key financial indicators										
Earnings per share (LKR)	1.73	(2.17)	2.64	6.73	4.37	3.50	2.74	2.18	2.65	2.06
Return on assets (%)	1.30	(1.61)	1.98	5.53	3.85	3.02	2.74	2.47	3.35	2.94
Return on equity (%)	3.41	(4.45)	5.15	12.94	9.35	8.09	6.71	5.52	6.97	5.71
Operating margin (%)	10.07	3.85	11.62	13.53	12.77	9.94	9.35	5.17	7.76	9.98
Asset turnover (Number of times)	0.46	0.44	0.45	0.47	0.45	0.41	0.45	0.48	0.52	0.54
Current ratio (Number of times)	0.82	0.62	0.76	1.05	1.00	0.82	0.87	0.54	0.61	0.65
Quick asset ratio (Number of times)	0.76	0.57	0.71	1.01	0.94	0.76	0.82	0.48	0.57	0.62
Debt/equity ratio (Number of times)	1.00	1.02	0.78	0.66	0.78	0.93	0.76	0.59	0.48	0.37
Interest cover (Number of times interest)	1.46	0.55	1.75	3.31	1.91	1.47	1.77	2.02	4.53	5.62
Net assets per share (LKR)	50.61	48.90	51.18	52.01	46.64	43.25	40.79	39.81	38.00	36.14
Dividend per share (LKR)	0.25	Nil	0.25	2.02	1.49	1.06	1.06	0.89	0.89	0.89

1. Earnings per share – Earnings per ordinary share (EPS) – Profit attributable to ordinary shareholders divided by the number of ordinary shares in use.
2. Return on Assets – Return on assets (ROA) – Profit after tax expressed as a percentage of the average assets; indicates overall effectiveness in generating profits with available assets.
3. Return on Equity – Return on equity (ROE) – Net profit attributable to owners, expressed as percentage of average ordinary shareholders' equity.
4. Operating Margin – Operating margin is a measurement of what proportion of revenue is left over after paying for variable costs of production such as wages, raw materials, etc.
5. Asset Turnover – Asset turnover ratio measures the value of sales or revenues generated relative to the value of its assets.
6. Current Ratio – The current ratio measures the ability to cover its short-term liabilities with its current assets.
7. Quick Asset Ratio – The Quick Ratio, also known as the Acid-test or liquidity ratio, measures the ability of a business to pay its short-term liabilities by having assets that are readily convertible into cash.
8. Debt/Equity Ratio – The Debt/Equity ratio measures the proportion of borrowed funds to its equity.
9. Interest Cover – Number of times interest expense is covered by earnings before interest and tax.
10. Net assets per share – Net assets per share measures net assets divided by number of ordinary shares in use.

Investor Information

➔ Distribution of shares

Shareholding	Resident			Non-resident			Total		
	Number of shareholders	Number of shares	%	Number of shareholders	Number of shares	%	Number of shareholders	Number of shares	%
1 – 1,000 shares	11,333	3,136,946	0.17	15	6,404	0.00	11,348	3,143,350	0.17
1,001 – 10,000 shares	2,690	9,954,067	0.55	26	122,034	0.01	2,716	10,076,101	0.56
10,001 – 100,000 shares	353	8,428,739	0.47	4	88,334	0.00	357	8,517,073	0.47
100,001 – 1,000,000 shares	26	6,095,411	0.34	–	–	0.00	26	6,095,411	0.34
Over 1,000,000 shares	7	965,270,196	53.48	1	811,757,869	44.98	8	1,777,028,065	98.46
	14,409	992,885,359	55.01	46	811,974,641	44.99	14,455	1,804,860,000	100

➔ Categories of shareholders

Category	Number of shareholders	Number of shares
Individual	14,216	21,344,686
Institutional	239	1,783,515,314
Total	14,455	1,804,860,000

➔ 20 Major shareholders as at 31 December 2024

Name	Shareholding	(%)
1. Secretary to the Treasury	906,564,409	50.23
2. Global Telecommunications Holdings Nv	811,757,869	44.98
3. Employee's Provident Fund	25,324,104	1.4
4. Sri Lanka Insurance Corporation Ltd. – Life Fund	17,713,735	0.98
5. Bank of Ceylon A/C Ceybank Unit Trust	8,678,842	0.48
6. Employees Trust Fund Board	3,302,188	0.18
7. Sri Lanka Insurance Corporation Ltd. – General Fund	2,041,538	0.11
8. Seylan Bank Plc/Karagoda Loku Gamage Udayananda	1,645,380	0.09
9. People's Leasing & Finance Plc/K I Udayananda	955,447	0.05
10. Bank of Ceylon A/C Ceybank Century Growth Fund	780,032	0.04
11. Merchant Bank of Sri Lanka and Finance Plc/N N Dissanayaka	320,683	0.02
12. Mrs H K H Gunawardena	310,218	0.02
13. Senthilveri Holdings (Pvt) Ltd.	290,649	0.02
14. Merchant Bank of Sri Lanka and Finance Plc/R R S Ananda	255,587	0.01
15. Mr T K D A P Samarasinghe	235,000	0.01
16. The Incorporated Trustees of the Church of Ceylon	223,590	0.01
17. Bank of Ceylon No. 1 Account	241,000	0.01
18. Mr D C Chandiram	201,600	0.01
19. People's Leasing & Finance Plc/Mr R R S Ananda	184,831	0.01
20. Mr M R M Simsan	169,345	0.01
Total	1,781,196,047	98.67

Float adjusted Market Capitalisation as at 31 December 2024	5,999,371,911
Percentage of public holding as at 31 December 2024	4.78%
Number of shareholders representing the public holding as at 31 December 2024	14,452

Ten Year Progress – Group

➤ Ratio and Market Price Information Share Price Trend

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Highest value (LKR)	101.00	121.75	78.90	42.90	34.80	34.50	30.00	36.70	46.40	54.90	57.30
Lowest value (LKR)	54.90	62.00	28.70	31.50	18.00	19.60	18.90	27.00	31.20	43.00	33.33
Last traded price (LKR)	69.50	92.90	68.00	38.80	33.50	31.90	23.40	28.50	36.00	47.00	49.90
Market capitalisation (LKR Bn.)	125.4	167.7	122.7	70.02	60.40	57.57	42.23	51.43	64.97	84.83	90.00

➤ Trading Activity

	2024	2023	2022
Number of transactions	27.422	61,912	33,827
Number of shares traded	14,673,193	60,326,418	34,630,170
Value of shares traded (LKR)	1,148,525,968	5,642,355,674	2,054,279,732

➤ The Debt/Equity Ratios

	Group		Company	
At 31 December	2024	2023	2024	2023
Total borrowings	91,637	90,058	66,618	72,461
Total equity	91,475	88,385	70,242	67,904
Total capital	183,112	178,443	136,860	140,365
Debt/Equity ratio	100	102	95	107

➤ Equity – Group

Group	2024	2023
Earnings per share (LKR)	1.73	(2.17)
Net assets per share	50.61	48.90
Debt/Equity ratio – Number of times	1.00	1.02
Quick Asset Ratio (No. of times C.L.)	0.76	0.57
Interest cover (Number of times Interest)	1.46	0.55
Dividend pay out ratio (%)	14.46	–
Dividend per share	0.25	–

➤ Debt Information – Company

Company	2024	2023
Interest rate on comparable government security market price & yield during the year (ex-interest) (%)	10.31	13.75
Highest debenture price	“Debenture were not traded during the year 2024”	“Debenture were not traded during the year 2023”
Debt/equity ratio-No of times	0.95	1.07
Interest cover (No. of times Interest)	1.20	0.58
Quick Asset Ratio (No. of times)	0.76	0.5

Portfolio of Lands

The following values are based on desk top valuation report submitted by a firm of incorporated valuers on 31 January 2024 on lands transferred on incorporation (conversion of SLT into a public limited company in 1996) and lands acquired after the incorporation. The methodology used to arrive "the fair value" in the desktop valuation is only market approach, based on previous on-site valuations done in year 2018 and year 2022. The said lands valued over LKR 500,000/- within their respective values are given below.

The level of the fair value hierarchy within which the fair value measurements are categorised is Level 3. Land values have been adopted after comparing with land sales in particular location by the valuer. Unobservable inputs for the assets have been used as inputs in the fair value measurement.

Location	Extent (Hectare)	Value (LKR Mn.)
Regional Telecom Engineers' Office, Exchange and IPT Quarters Land, Nuwara-Eliya	0.2354	977.00
Peliyagoda Stores Complex Land	1.6425	974.00
Regional Telecom Engineer's Office Land, Church Street, Galle.	0.2520	847.00
Transport Division Land, Polhengoda Road, Narahenpita.	0.3030	898.00
Regional Telecom Engineer's Office and Kandy Exchange Land Lot 1 and Lot 2	0.2251	756.00
Kurunegala Exchange and RTOM Office Land Kandy Road, Kurunegala.	0.9200	818.00
Main Street, Kalutara Lots 1, 2, 3	0.3035	540.00
Nugegoda Transport Garage Land, Nalandarama Road	0.1970	467.00
Auto Exchange and IPT Quarters Land, Main Street, Panadura. (RTOM Office) Lot 1, 2	0.2522	464.00
Regional Telecom, Engineer's Office and Exchange Land, Kotte.	0.2051	405.00
Regional Telecom Engineer's Office Land – 06, Senanayake Mawatha, Bandarawela.	0.2380	447.00
Maharagama Exchange Land	0.1114	352.00
Galle Exchange and IPT Quarters Land, No. 8, Wakkwella Road, Galle.	0.1697	268.00
Regional Telecom Engineer's Office, Rathnapura.	0.3645	288.00
RTOM Office and DIT/IPT Quarters Land, Avissawella	0.4313	298.00
District Switching Centre and IPT Quarters Land, Inner Harbour Road, Trincomalee.	0.3294	117.00
Ragama Exchange Land	0.2048	182.00
Wattala Exchange Land	0.1012	170.00
Ja-Ela Exchange Land, DIT Office and IPT Quarters	0.0870	146.00
Kaduvela Exchange Land Lot 1, 2	0.0983	140.00
Training Centre, No. 562/D, Jayanthi Road, Anuradhapura.	0.7889	140.00

Location	Extent (Hectare)	Value (LKR Mn.)
Kuliapitiya Exchange Land Lot 37, 39	0.2300	136.00
Havelock Town RSU 2 Land, Havelock Road, Colombo 05.	0.0253	150.00
Ambalangoda Exchange and DIT Office Land	0.0790	117.00
P-5 and P-6 Poththode Quarters Land, Thimbirigaskatuwa, Poththode – Negombo Lot 1, 2	1.7160	170.00
IPT Quarters (Present OPMC) Land No. 8 and 10, Sri Gunarathena Mawatha, Panadura.	0.2952	146.00
Nawalapitiya Exchange and IPT Quarters Land – Lot 1 and Lot 2	0.2782	148.00
Chilaw Exchange Land, Puttalam Road, Chilaw.	0.2708	134.00
DIT Quarters Land – No. 67, Gattuwana.	0.2730	135.00
Puttalam Auto Exchange Land, Equipment Building and IPT Quarters	0.3054	121.00
Pussellawa Exchange Land, Nuwara-Eliya Road.	0.2155	128.00
Peradeniya Exchange, Telecom Training Peradeniya, Lot 1 and Lot 2	0.1169	127.00
Auto Exchange and Quarters Land, Bandaragama.	0.2803	105.00
Havelock Town RSU 3 Land, Vaverset Place, Colombo 06.	0.0180	96.00
Katunayaka Exchange Land Lot 1, 2	0.3039	120.00
Horana Exchange and DIT Quarters Land, Anguruwatta Road, Horana.	0.2177	86.00
Primrose Hill, Circuit Bungalow Land, Kandy.	0.0751	74.00
Exchange Land, Aluth Mawatha, Mattakkuliya.	0.0460	100.00
RTOM Quarters, Behind the Mosque – Anuradhapura.	0.1769	70.00
OPMC Land, Avissawella.	0.3655	94.00
Embilipitiya Exchange and IPT Quarters Land, Embilipitiya.	0.4620	91.00
Engineer's Quarters Land, No. 116/53, Lake Round, Kurunegala.	0.2060	81.00

Portfolio of Lands

Location	Extent (Hectare)	Value (LKR Mn.)
Ganemulla Exchange and IPT Quarters Land	0.1564	77.00
Kelaniya Exchange Land, Kelaniya	0.1475	87.00
HQ Building, OTS Building and CTO Building Land, Lotus Road, Colombo 01.	1.3154	13,002.00
Welikada Wireless Station and Maritime Service Station Land	3.0878	7,325.00
Regional Telecom Engineer's Office Land, Dickmans Road, Colombo 05.	0.3360	1,860.00
No. 17, Sugathodaya Mawatha, Colombo 02.	0.2190	1,515.00
Punchi Borella Exchange Land, Maradana.	0.2625	1,401.00
No. 9, Anderson Road, Colombo 05.	0.1949	1,040.00
Telecom Training Centre Land, Welisara.	2.2280	793.00
Kegalle Exchange and RTOM Office Land, Kegalle.	1.4515	629.00
Regional Telecom Engineer's Office – Matara Exchange and DIT Office Land	0.2880	541.00
No. 106, St. Joseph's Street, Negombo.	0.6787	537.00
Kotugoda Stores Complex Land	7.6475	491.00
RTOM Building Land, Nugegoda.	0.1170	402.00
Earth Station Satellite Land, Padukka	3.1	91.80
Mount Lavinia Exchange Land, Minor Staff Room and Stores.	0.1913	329.00
Ratmalana Exchange Land, Rathmalana.	0.2076	349.00
Regional Telecom Engineer's Office Matale Exchange Land.	0.3342	264.00
Regional Telecom Engineers' Office, Pollonnaruwa Exchange and IPT Quarters Land	0.3129	247.00
Engineer's Office and DSC, Maithreepala Senanayake Mawatha, Anuradhapura.	0.3355	398.00
DIT Quarters, No. 108 and No. 109, Walawwaththa Road, Anuradhapura.	0.2434	72.00
DIT and IPT Quarters, Godage Mawatha, Anuradhapura.	0.1523	90.00
Regional Telecom Engineers Office and Switching Centre Land, Jaffna.	1.1810	630.34
Badulla District Switching Centre and Engineer's Quarters Land	0.4020	278.13
Monaragala Exchange and IPT/Linemen Quarters Land	0.3160	281.09
District Switching Centre Land, Mannar.	0.3238	128.00
Regional Telecom Engineer's Office and Exchange, Galkantha Mawatha, Ampara.	0.7657	227.05

Location	Extent (Hectare)	Value (LKR Mn.)
DIT/IPT Quarters Land – Bandarawela.	0.0705	104.51
Regional Telecom Engineer's Office Land – Kalmunai	0.4326	153.95
Haputale Exchange Land	0.4080	120.98
RTOM Office Land, Vavuniya. Lot 1772, 1773	0.4047	120.01
Narammala Old and New Exchange Land	0.0970	86.29
Minuwangoda Exchange and IPT Quarters Land	0.0759	90.00
Mannar Transmission Tower Land	0.2645	125.48
P-1, P-2, P-3, P-4 Thimbrigaskatuwa Poththode – Quarters Land, Negombo.	0.6037	65.63
Balangoda Telecom Exchange Land Lot 1 and Lot 2	0.0807	79.75
Akkaraipattu Exchange Land	0.2049	101.25
Wellampitiya Exchange Land	0.1020	80.64
Kiribathkumbura Land (Proposed for Training Centre)	0.5805	80.33
Kalawanchikudy Exchange Land	0.1693	66.93
Moratuwa Exchange Land, Moratuwa.	0.1119	77.42
Kadawatha Exchange Land Lot 1, 2	0.0567	63.53
Pelmadulla Telecom Exchange Land	0.0950	75.12
Piliyandala Exchange Land	0.0632	68.75
Mattegoda Exchange Land	0.1265	67.50
Eravur Auto Exchange Land	0.0925	73.14
Buttala Exchange Land	0.2020	59.90
Dickwella Auto Exchange and Quarters Land	0.1554	76.80
Hambantota Exchange Land, No. 66, Barrak Street	0.1920	68.31
Thambuttegama Exchange Land	0.0860	54.40
Dunagaha Exchange Land	0.1710	60.84
Nugegoda RSU 2 Land, Kirulapane	0.0244	57.90
Boralesgamuwa Exchange Land	0.0310	49.00
Nugegoda RSU 4 Land, Kalubowila.	0.0241	47.70
Repeater Station Land, Primrose Hill.	0.1233	41.43
Bibile Exchange Land (Lot 770, 773, 774)	0.2740	70.41
Angoda Exchange Land, Angoda.	0.0900	62.27
Exchange and IPT Quarters Land, Mahawa Lot 176, 177, 179	0.4620	54.80

Portfolio of Lands

Location	Extent (Hectare)	Value (LKR Mn.)
HP Quarters Land, Primrose Hill.	0.0534	52.78
Malwana Exchange	0.1057	52.24
DGM Quarters Land, Rifle Green, Trincomalee.	0.1577	71.70
OPMC, Teleshop, Station Road, Batticaloa.	0.0228	22.50
OPMC, Teleshop, Station Road, Batticaloa.	0.0288	28.50
Beliatta Exchange Land, Beliatta.	0.4420	65.53
IPT Quarters and Stores Land Mannar Road, Vavuniya.	0.3060	60.49
Weligama Exchange and IPT Quarters Land	0.1069	73.96
Gampola Singha Pitiya Road Land, Gampola.	0.2529	65.00
Kotte RSU 6 Land, Nawala.	0.0304	45.00
IPT Quarters Land, Station Road, Vavuniya.	0.1500	53.37
DIT Quarters Land, 99/1, Rathnapura Road, Avissawella.	0.1592	56.66
Kadugannawa Exchange	0.0356	52.76
Akurassa Exchange Land	0.0711	63.25
Browns Hill Repeater Station Land, Browns Hill Lot 1, 2, 3, 4, 5	0.1415	55.94
Hokandara Exchange Land	0.0857	59.29
Chilaw DIT/IPT Quarters Land	0.0468	46.25
HP's Quarters Land, Bandarawela.	0.2328	55.22
Batapola Exchange	0.1160	45.86
Tangalle Exchange, IPT Quarters and Repeater Station Land	0.1960	58.12
RSU Building and Exchange Land, Beruwela.	0.2100	58.12
Pallekale Land	0.0899	53.33
Kamburupitiya Exchange Land	0.0890	61.58
Weliweriya Exchange Land, Gampaha Road. Lot 1, 2, 3, 4	0.0438	47.45
Mutur Exchange Land	0.2838	56.10
Digana Old Exchange and Repeater Station Land Ahaspokuna.	0.3560	49.26
Mirigama Telecom Building, DIT Office and IPT Quarters Land, Lot 1,2,3	0.1874	55.56
Eheliyagoda Exchange Land	0.0802	47.55
Kirindiwela Exchange and IPT Quarters Land – Lot 1, 2	0.2129	42.09
Rajakadaluwa Exchange Land	0.1490	44.18

Location	Extent (Hectare)	Value (LKR Mn.)
Katugastota Exchange and IPT Quarters Land	0.0395	42.93
Kekirawa Auto Exchange Land	0.1310	44.02
Rikillagaskada Exchange, and IPT Quarters Land	0.1300	43.68
Kilinochchi Exchange and Repeater Station Land	0.5799	51.59
Wilgamuwa RSU Land	0.1878	55.69
Valachchanai Auto Exchange Land	0.2036	48.30
Kotte RSU 2 Land, Talawathugoda.	0.0220	32.63
Mawanella Auto Exchange Land	0.0910	44.98
IPT Quarters Land – No. 7, Gattuwana.	0.1210	35.88
Ranpokunugama Exchange and IPT Quarters Land, Ranpokunugama.	0.1532	39.36
Baddegama Exchange Land	0.1340	45.02
Veyangoda Exchange Land, Negombo Road.	0.0889	35.14
Laggala Repeater Station (Riverston) Land (Lot 62, 69, 70, 76, Lot A, B)	1.0497	41.50
Wellaway Exchange Land	0.1300	43.68
Ambalantota Exchange Land	0.1721	51.03
Elpitiya Exchange and Kiosk Land	0.1460	43.29
RTOM Quarters Land, Donald Janz Road, Galle.	0.0511	40.40
Kekanadura Exchange and Quarters Land, Kekanadura.	0.1020	40.33
Galnawa Exchange and Linemen Quarters Land	0.1453	37.34
Mawatagama New Exchange Land, Mawatagama.	0.1015	50.16
Palavi Exchange Land (Double Kiosk) Palavi.	0.2024	42.01
Makandura Exchange Land	0.4040	43.92
Passara Exchange and Linemen Quarters Land	0.3744	62.91
Sevanagala Exchange and LPT Qts Land Lot 4900, 4901	0.6420	38.07
Circuit Bungalow Land – Bandarawela.	0.1718	44.15
Keselwatta RSU Building Land, 34, Srimathi Road, Keselwatta.	0.0632	37.50
Hali-Ela Exchange Land	0.0940	33.44
Karaveddy RSU Land	0.3110	36.89
Pulmoddai Exchange Land	0.3103	30.67

Portfolio of Lands

Location	Extent (Hectare)	Value (LKR Mn.)
Exchange Land, Padukka.	0.0607	38.40
RSU 1 Land, No. 47/1A, Church Road, Mattakkuliya.	0.0304	39.00
Dodangoda RSU Land	0.1510	35.82
Welimada Exchange and Kiosk Land	0.1110	37.30
Kotiyakumbura Exchange Land	0.1012	28.80
Exchange Land, Thimbolketiya (Lot 1,2,3)	0.6771	28.68
Kinniya Exchange Land	0.1080	36.30
Tower land (Opposite to the RTOM Office Separated by Highway), Gampaha.	0.0157	24.80
Imaduwa Exchange and Kiosk Land Lot 473, 474	0.2150	42.50
Nikaweratiya Exchange Land. Lot 586, 680	0.1400	63.65
Kotte RSU 1 Land, Madiwela.	0.0278	24.75
Wattegama Exchange Land Kudugalla Road (Part 2)	0.1512	26.90
Kottegoda Exchange Land	0.1036	36.86
Naula Exchange Land	0.1380	40.92
Akkaraipattu Old Exchange Land (PP A 1355, Lot 1 and PP Am787 Lot 1)	0.0999	33.58
Kebithigollewa Exchange Land (Lot 314, 315)	0.2628	25.98
Haddon Hill Land – Nuwara-Eliya Lot 1, 2 (Road Reservation)	0.0721	38.50
Potthuwi Exchange Land	0.2570	50.81
Chunnakam RAX Land	0.1912	34.02
Bakamuna RSU Building Land	0.3750	25.95
Hungama Exchange Land, Hungama.	0.1250	32.12
Biyagama RSU 2 Land, Biyagama (Bandarawatta Land)	0.0374	25.90
Kantalai Exchange Land	0.1244	29.51
VHF Station Land – Batticaloa (Kaliyankadu)	0.1019	30.21
Samanturai Exchange Land	0.1990	31.47
Marawila Auto Exchange Land (Lot 2)	0.0500	27.29
Thelijjawila Auto Exchange and Quarters Land	0.0690	24.55
Gonapola Land	0.0759	27.00
Bingiriya Exchange and Kiosk Land	0.1680	29.89
Ella Kiosk	0.0330	26.08
Gampola Exchange	0.0285	27.53

Location	Extent (Hectare)	Value (LKR Mn.)
Galgamuwa Auto Exchange Land	0.1580	21.86
Horowpathana Exchange Land	0.4180	28.92
Kotte RSU 5 Land, Kotuwegoda.	0.0311	24.60
LPT Quarters Land, Station Road, Vavuniya.	0.0777	26.11
IPT Quarters (No. 1,2 and 3) and, District Switching Centre land, No. 26, Badulla.	0.0340	26.88
IPT Quarters Land – 13 A/1, Galwala Road, Hambantota.	0.1020	26.21
Rakwana Telecom Exchange Land.	0.2035	22.13
Chavakachcheri RAX and RSU Land	0.1214	19.20
Akurana Land	0.0759	27.00
Moratuwa RSU 3 Land, Rawathawatte.	0.0202	18.00
Welikanda Exchange Land	0.2988	20.67
Sithankerni RSU Land	0.1745	16.81
Hettipola Exchange Land	0.0980	29.06
Urubokka Exchange Land	0.1290	24.23
Nugugoda RSU 3 Land, Gangodawila.	0.0164	17.88
Tissamaharama New Exchange Land	0.0820	24.31
Hakmana Exchange Land	0.1260	24.91
Pannala Exchange Land	0.0940	27.87
Habaraduwa Exchange Land	0.0796	25.18
Udugama Exchange Land, Udugampola MSAN Land	0.1391	27.50
Yatiantota Auto Exchange Land	0.0511	4.55
Mahiyangana Exchange Land	0.0790	23.42
Kosgoda Exchange Land	0.0920	25.46
Galewela RSU Land Lot 1185, Lot 1188 and Lot 1190	0.1822	25.21
Kalpitiya Exchange Land, Kalpitiya.	0.1093	22.69
Angoda RSU 1 Land, IDH	0.0364	18.00
Piliyandala RSU 5 Land, Bokundara.	0.0316	16.88
Kandapola Land	0.0894	22.97
Kotte RSU 3 Land, Battaramulla.	0.0185	21.00
Kotte RSU 4 Land, Thalagama North	0.0354	18.90
Nikadalupotha Exchange Land, Hiripitiya.	0.1180	17.49
Ninthavur Exchange Land	0.0863	25.59
Galgamuwa Auto Exchange Land	0.1031	22.42

Portfolio of Lands

Location	Extent (Hectare)	Value (LKR Mn.)
Hasalaka Exchange Land, Hasalaka.	0.0794	21.59
Gintota (Dodanduwa Exchange) Land	0.0513	18.25
Weeraketiya Exchange and Quarters Land	0.1700	16.80
Hemmathagama Land	0.1017	22.11
Biyagama RSU 1 Land, Heiyanduwa.	0.0506	18.00
Kotadeniyawa Exchange Land	0.1686	18.33
Ingiriya Exchange Land Lot 1, 2, 3	0.2800	19.37
Alawwa Exchange Land, Narammala Road.	0.0760	19.53
Kadawatha RSU 1 Land, Ranmuthugala.	0.0329	19.50
RSU Land-Rattota Lot 6 and Lot 7	0.1220	16.88
Galenbindunuwewa Land	0.1921	17.09
Visaka Hill Repeater Station Land, Bandarawela.	0.0958	22.72
RSU Building and IPT Quarters Land, Matugama.	0.0597	21.24
Warakapola Exchange Land	0.0867	20.57
Habarana Land	0.1182	17.52
Nugegoda RSU 2 Land, Embuldeniya.	0.0234	16.19
Ensalwatta Repeater Station Land – Deniyaya.	0.3040	15.02
Ethagala Repeater Station Land	0.2530	15.00
Piliyandala RSU 1 Land, Honnanthara.	0.0519	17.00
Ukuwela Exchange land	0.1518	15.00
IPT Quarters Land – Diyathalawa	0.0226	17.86
Nochchiyagama Exchange Land, (Lot 1666, 1668)	0.1794	12.41
Kahatagasdigiliya Exchange Land	0.0993	14.72
RSU Land-Pallepola Lot 403	0.0970	13.42
Pitabaddara Exchange Land, Pitabaddara.	0.2160	17.08
Kadawatha RSU 2 Land, Ihala Karagahamuna.	0.0430	15.30
Medirigiriya Land	0.2140	14.81
Niwitigala Exchange and Linemen Quarters Land	0.2830	16.78
Pundaluoya Exchange Land	0.2620	15.54
Deraniyagala Exchange Land (Lot 1, 2)	0.1390	16.49
Galagedara Exchange Land, Rambukkana Road.	0.1386	15.07
Ampitikanda Exchange	0.2078	14.38
Moratuwa RSU 2 Land, Moratumulla	0.0276	16.38
Galapitamada Land	0.0990	14.32
Mawarala Exchange Land	0.2070	16.37

Location	Extent (Hectare)	Value (LKR Mn.)
Wattegama Exchange Land Kudugalla Road (Part 1)	0.0827	19.62
Hingurakgoda Auto Exchange Land	0.0583	17.29
Rideegama Exchange Land	0.2530	15.00
Anandankulam Land	0.2020	17.97
RSU Building Bulathsinghala Land Lot 1, 2	0.2017	15.95
Oluvil Exchange Land	0.1006	17.90
Pasyala Exchange and IPT Quarters Land, Nittambuwa Road, Pasyala. Lot 1, 2	0.0534	14.77
Kollonna Exchange Land	0.3320	16.41
Angunakolapalassa Exchange Land, Lot 525, 755	0.1960	17.44
Kuruwita Telecom Exchange Land	0.0653	16.78
Mullaitivu Auto Exchange	0.6506	25.72
Akkaraipattu Road, Hingurana	0.3877	15.33
Tanamalwila Exchange Land	0.3200	15.81
Hanguranketha Ex.(New) Land	0.0851	13.46
Kosgama RSU Land, Kosgama (Lot 1, 2)	0.0759	18.00
Mulleriyawa Land (Angoda RSU 2)	0.0379	15.00
Udathuttipitiya Exchange Land	0.1258	16.17
Kaduwela RSU 1 Land, Malabe.	0.0248	14.70
Watagoda Exchange	0.1850	12.80
Nagoda Exchange Land	0.1230	12.16
Post Office Road, Eppawela	0.0914	12.65
Madampe New Exchange Land, Kurunegala Road (Lot 1)	0.0907	16.13
Talawakelle Exchange Land Lot 1, 2, 3	0.1813	16.13
Rathmalana RSU 1 Land, Laxapathiya.	0.0253	13.50
Deniyaya Exchange and IPT Quarters Land, Lot 764	0.1770	14.00
Bulathkohupitiya Exchange Land	0.2349	13.93
Kiri Ella Telecom Exchange Land	0.0875	14.70
Kadawatha RSU 4 Land, Makola North	0.0192	11.40
Middeniya Exchange Land, Middeniya.	0.2870	14.18
Chinabay Exchange Land – Lot 163 and Lot 165	0.0768	12.06
Mulatiyana Exchange Land, Mulatiyana.	0.1130	14.52
Single Tree Hill-Repeater Station Land Lot 1, 2, 3	0.1691	11.70
Talaimannar Repeater Station Land Lot 1 and Lot 2	0.1836	14.41

Portfolio of Lands

Location	Extent (Hectare)	Value (LKR Mn.)
Namunukula Circuit Bangalow Land	0.2100	14.53
Wariyapola Exchange Land	0.1120	16.61
Moratuwa RSU 1 Land, Molpe	0.0257	10.18
Kochchikade Exchange Land	0.0410	12.16
Rakwana Kiosk Land.	0.0270	12.27
Walasmulla Exchange Land	0.0803	11.11
Halgaran-oya Exchange Land	0.0791	10.94
Lunuwila Exchange (New) Land	0.0900	12.45
Madolsima Exchange Land	0.3845	11.40
Thampalagam Exchange Land, Thampalagam.	0.1020	11.09
Thirukkovil RSU Land	0.1012	12.00
Badalgama Exchange Land	0.0984	10.70
Ramboda Exchange Land Lot 1, 2, 3 and 4.	0.1120	11.65
Kandaketiya Exchange Land	0.0981	9.70
Medawachchiya Exchange and Linemen Quarters Land	0.1468	14.51
Rukmalgama Exchange Land	0.0817	32.29
Madukanda Repeater Station Land Lot 1523 and Lot 1525	0.6037	14.32
RSU Building Meegahatenna Land Lot 2828, 2829	0.2620	9.37
Kahawatta Kiosk Land	0.0140	10.23
Ruwanwella RSU Land, Ruwanwella	0.0673	13.30
Hanthana Repeater Station	0.2123	6.29
Alubomulla RSU Land	0.0759	9.75
Madawachchiya Land, Mannar Road, Medawachchiya.	0.3315	13.11
Ariyalai Land	0.0658	9.10
Point Pedro Land	0.0809	7.20
Kilinochchi RAX Land, Paranthan	0.1748	8.64
Raddolugama Land	0.0291	9.78
Thoppur Auto Exchange Land	0.1745	12.07
Padiyathalawa Trans Repeater Station Land	1.2610	12.46
Bogahakumbura Exchange	0.0637	12.60
Pulasthigama Land	0.2120	10.48
Nilaveli Exchange Land	0.0629	10.57
Kal-Eliya Exchange Land	0.1005	10.93

Location	Extent (Hectare)	Value (LKR Mn.)
Kotapola Exchange Land, Kotapola.	0.1220	10.85
Kadawatha RSU 3 Land, Siyambalape.	0.0202	10.00
Bambarabotuwa Exchange Land	0.1204	9.52
Godakawela RSU Land	0.0490	12.59
Medamahanuwara New Exchange Land	0.1518	7.50
Del Repeater Station	0.3721	7.36
Mahaoya Exchange Land, Main Street, Mahaoya.	0.1110	9.87
Pugoda ELU-2 Land, Owitigama,	0.0253	7.79
Padaviya Exchange, Padaviya.	0.1088	9.68
Maskeliya Exchange Land	0.1079	8.53
Kuchchaveli Exchange Land Lot 1689 and Lot 1690	0.1375	9.53
Ginigathhena Exchange and Quarters Land	0.1420	8.42
Padavi Siripura Exchange Land	0.2631	10.40
Rattota Kiosk Land	0.0209	7.43
Namunukula Exchange Land	0.1485	8.81
Neboda Auto Exchange Land	0.1032	7.14
Kalawana Exchange Land	0.2060	10.18
Tangalle Linemen's Quarters Land, Tissa Road, Marakolliya, Tangalle.	0.0824	8.14
Aliyamalagala Repeater Station	0.2027	8.01
Katana Land	0.1012	9.00
Polgahawela Exchange and Quarters Land Lots 1, 3, 5	0.0149	7.50
Piliyandala RSU 4 Land, Batakeththara.	0.0253	8.50
Handessa RSU Land	0.1012	8.00
Piliyandala RSU 3 Land, Wethara	0.0253	8.50
Lunugala Kiosk Land	0.1346	6.65
Katuwana Land	0.1000	6.92
Muruthalawa Exchange Land	0.0969	7.66
Watawela Land	0.1210	8.37
Agbopura Land	0.1920	7.59
Punagala (Ampitikanda) Repeater Station Land	0.1920	5.69
Delgoda RSU 1 Land, Delgoda.	0.0320	8.22
Madolsima Repeater Station Land, Madolsima.	0.1897	5.63
Rathmalana RSU 2 Land, Borupana	0.0190	6.25

Portfolio of Lands

Location	Extent (Hectare)	Value (LKR Mn.)
Gurugoda Exchange Land, Gurugoda.	0.0759	6.75
Seruwila Exchange Land	0.2320	7.80
Aranayaka Exchange Land	0.1200	8.30
Suriyakanda Repeater Station Land	0.1500	5.93
Galapitamada New Exchange Land	0.1789	7.07
Millenium City Land, Athurugiriya.	0.0197	7.02
Mamadala Kiosk Land	0.0879	6.08
Ibbagamuwa DRMASS Land	0.0154	6.00
Morawaka Exchange Land, Morawaka.	0.0458	7.06
Negampaha Exchange, Negampaha.	0.0840	6.64
Vakarai VHF Station Land	0.1645	5.53
Cheddikulam Exchange Land	0.2026	6.01
Repeater Station Land – Glen Course	0.2244	5.32
Kandalama-Radio Repeater Station Land	0.1555	4.61
Manipai RAX Land	0.0511	7.57
Ibbagamuwa RSU Land	0.0379	5.25
Millaniya Exchange Land, Millaniya	0.1012	6.00
Agarapathana Exchange and LPT Quarters Land	0.1500	7.41
Upcot Rural Exchange and Linemen Quarters Land, Lot 1, 2	0.1495	7.39
Undugoda Exchange Land	0.0969	4.79
Punguduthive RAX Land	0.3571	7.06
Bogawantalawa Exchange Land	0.1185	7.03
Waga Land	0.0938	5.56
Kitulgala Exchange Land, Ginigathhena Road, Kitulgala.	0.0880	6.09
Galhinna Land	0.0759	5.25
Torwood Repeater Station Land, Matugama.	0.1607	4.76
Galaha Exchange and IPT Quarters Land, Galaha – Lot 2 and Lot 3	0.1278	5.05
Malwatta Exchange Land	0.1568	6.20
Suriyawewa Exchange Land	0.0820	4.86
Padiyathalawa Exchange Land	0.1020	6.05
Pankulam Exchange Land	0.0608	4.81
Norton Bridge Exchange Land	0.1519	6.01
Akurassa Repeater Station Land Lot 385,386,387,388,389,390 and 391.	0.0787	3.89

Location	Extent (Hectare)	Value (LKR Mn.)
Maturata Exchange Land	0.1670	4.95
Balungala Repeater Station Land	0.2317	5.50
Thellipalai RSU Land	0.1098	5.43
Divurampitiya Repeater Station Land	0.1093	3.24
Murukkan Land	0.1062	5.25
Piliyandala RSU 2 Land, Makandana Land, Station Exchange Land, Yatiyana Lot 1, 2, 3 and 4	0.0177	4.55
Galoya Junction (LPT Quarters Land, Station Road.)	0.1288	19.75
Homagama RSU 1 Land, Panagoda.	0.2023	4.80
Pathiraja Kanda Repeater Station Land, Ambalangoda.	0.0253	4.50
Haldummulla Kiosk Land	0.1010	2.99
Ridiyagama Rural Exchange Land	0.0990	4.89
Madolkelle Exchange Land	0.0655	3.89
Rangala Exchange Land	0.0961	4.75
Badalgama IPT Quarters Land	0.1540	4.57
Udupussallawa Exchange Land	0.0303	3.29
Jaltara Housing Scheme Land	0.0906	3.58
Pettigala Repeater Station Land, Balangoda.	0.0253	3.50
Radella LPT Quarters Land	0.0730	2.89
Namunukula Repeater Station	0.0438	3.89
Ullukkulam (SR-500) Land (Periya-Ullukkulam)	0.1373	2.71
Benachi Radio Transmission	0.0536	2.99
Welimada RLL Base Station Land	0.0777	5.38
Valvettithurai RAX Land	0.0527	3.12
Kopay RAX Land	0.0725	2.87
Inginiyagala Exchange Land	0.0206	3.05
Koslanda Exchange Land	0.0470	3.25
Pawakkulam Land	0.0440	2.61
Pandaththeruppu Land	0.2091	4.13
Pugoda ELU-1 Land, Giridara.	0.0514	3.05
Homagama RSU 2 Land, Magammana.	0.0051	1.50
Kotmale Kiosk	0.0152	2.70
Galewala Old Kiosk Land	0.1012	3.00
Dolosbage New Exchange Land Lot 1 and Lot 2	0.0152	2.31
	0.0930	2.46

Portfolio of Lands

Location	Extent (Hectare)	Value (LKR Mn.)
Pasalai New Land	0.0908	2.15
Homagama LEU 1 Land, Pitipana North	0.0253	2.50
Agalawatta Kiosk Land – Lot 1, 2	0.0080	1.58
Potuhara Auto Exchange Land, ELU – KG206,209	0.0090	1.25
Kaduwela ELU4 Land, Welivita Junction	0.0022	1.10
Beragama Kiosk Land	0.0600	1.78
Yakkalamulla Radio Base Station Land (Nabadawa RBS Land)	0.0506	1.50
Hiniduma (Topparangala) Land	0.0500	1.48
Padukka LEU Land (Ihala Bope)	0.0266	1.84
Killiveddy Exchange Land	0.0331	1.64
Ingiriya Kiosk Land	0.0126	1.25
Agarapathana RSU Land, 150 K Project.	0.1500	1.64
Karainagar Land	0.0516	1.22
Kaduwela ELU 1 Land, Ranala.	0.0025	0.60
Giriulla Auto Exchange Land	0.1010	23.96
Regional Telecom Engineers Office, Tower Hill Road Hambantota. Lot 1 and Lot 2	0.2150	148.75
Udugampola Land (MSAN)	0.0025	0.75
Payagala SLT Site	0.0241	6.19
Galaha Transmission Tower Land	0.0556	1.32
LPT Quarters, Nivanthaka Chethiya Road, Anuradhapura.	0.0466	15.66
Wathumulla Exchange	0.0770	8.37
Regional Telecom Engineer's Office and exchange Land, Court Road, Gampaha.	0.1366	270.00
RTOM and Auto Exchange Land, Batticaloa.	0.4383	303.00
Hatton Exchange and RTOM Office Land, Danbar Road, Hatton Lot 1	0.9651	229.00
Training Centre Land, Horethuduwa (Sirimathi Road)	1.4346	213.00
Dambulla Exchange	0.4047	240.00
Telecom Training Centre Land, No. 176, Matara Road, Unawatuna, Galle	0.7910	235.00
Exchange Land, Homagama.	0.0065	180.00
Ginigathhena Land, Kurundugolla.	0.1310	10.36
Maskeliya Linemen Quarters	0.1048	9.32
Unit 205, Liberty Plaza Building	1560sqft	54.60

Location	Extent (Hectare)	Value (LKR Mn.)
Unit 302, Liberty Plaza Building	1442sqft	50.47
Madolkelle Repeater Station	0.0961	2.85
Norwood Exchange.	0.0370	2.93
Katupotha NC 201	0.0051	0.60
Commercial Junction – RN 202, Rathnapura	0.0063	0.50
		58,723.03

GRI Index

GRI Standard/Other Source	Disclosure	Location
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	Inner back cover
	2-2 Entities included in the organisation's sustainability reporting	3,11
	2-3 Reporting period, frequency and contact point	3
	2-4 Restatements of information	3
	2-6 Activities, value chain and other business relationships	24, 25
	2-7 Employees	76
	2-8 Workers who are not employees	76
	2-9 Governance structure and composition	94-105
	2-10 Nomination and selection of the highest governance body	106
	2-11 Chair of the highest governance body	94
	2-12 Role of the highest governance body in overseeing the management of impacts	105-119
	2-13 Delegation of responsibility for managing impacts	105-119
	2-14 Role of the highest governance body in sustainability reporting	105-119
	2-15 Conflicts of interest	110
	2-16 Communication of critical concerns	105-111
	2-17 Collective knowledge of the highest governance body	94-105
	2-18 Evaluation of the performance of the highest governance body	105-111
	2-19 Remuneration policies	107-111
	2-20 Process to determine remuneration	107-111
	2-22 Statement on sustainable development strategy	16-22
	2-23 Policy commitments	3, 30-35
	2-24 Embedding policy commitments	37-92
	2-25 Processes to remediate negative impacts	32-35, 82-83
	2-26 Mechanisms for seeking advice and raising concerns	32-35, 82-83
	2-27 Compliance with laws and regulations	111-119
	2-28 Membership associations	87-89
	2-29 Approach to stakeholder engagement	33-35
	2-30 Collective bargaining agreements	76-86
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	32
	3-2 List of material topics	32
	3-3 Management of material topics	37-130
Economic performance		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	41
	201-3 Defined benefit plan obligations and other retirement plans	76-86
Indirect economic impacts		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	7-8, 43-46
	203-2 Significant indirect economic impacts	90-92
Tax		
GRI 207: Tax 2019	207-1 Approach to tax	37-41

GRI Index

GRI Standard/Other Source	Disclosure	Location
Energy		
GRI 302: Energy 2016	302-4 Reduction of energy consumption	53-54
Waste		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	55
	306-2 Management of significant waste-related impacts	55
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	78
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	79-82
Occupational health and safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	85
	403-2 Hazard identification, risk assessment, and incident investigation	85
	403-3 Occupational health services	85
	403-4 Worker participation, consultation, and communication on occupational health and safety	85
	403-6 Promotion of worker health	85
Training and education		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	84
	404-2 Programs for upgrading employee skills and transition assistance programs	83-84
	404-3 Percentage of employees receiving regular performance and career development reviews	81
Diversity and equal opportunity		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	76, 94-104
Local communities		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	90-92

Abbreviations

4G	– Fourth Generation	KPO	– Knowledge Process Outsourcing
5G	– Fifth Generation	LED	– Light Emitting Diode
ADSL	– Asymmetric Digital Subscriber Line	LGN	– Lanka Government Network
BPO	– Business Process Outsourcing	LTE	– Long-Term Evolution
BSS	– Billing Support System	MBB	– Mobile Broadband
CAPEX	– Capital Expenditure	Mbps	– Megabits per second
CCC	– Colombo City Centre	MIMO	– Multiple-Input and Multiple Output
CDMA	– Code Division Multiple Access	MoU	– Memorandum of Understanding
CRM	– Customer Relationship Management	MPLS	– Multi Protocol Label Switching
CSP	– Communication Service Provider	NB-IoT	– Narrowband Internet of Things
DC HSPA+	– Dual-Carrier High Speed Packet Access	NBN	– National Backbone Network
DSP	– Digital Service Provider	NED	– Non-Executive Director
EBITDA	– Earnings Before Interest, Taxes, Depreciation and Amortisation	NFV	– Network Functions Virtualisation
EPF	– Employees' Provident Fund	NGN	– Next Generation Network
ERP	– Enterprise Resource Planning	OPEX	– Operating Expenses
ETF	– Employees' Trust Fund	OSS	– Operational Support System
FBB	– Fixed Broadband	OTT	– Over The Top
FTTP	– Fibre-To-The-Premises	PAT	– Profit After Tax
FTTN	– Fibre-To-The-Node	PBT	– Profit Before Tax
Gbps	– Gigabits per second	PEO TV	– Personalised Entertainment Option Television
GRI	– Global Reporting Initiative	PIOCMA	– Pacific and Indian Ocean Cable Maintenance Agreement
GTH	– Global Telecommunications Holdings	PoP	– Point of Presence
HDTV	– High Definition Television	PSTN	– Public Switched Telephone Network
HSPA	– High Speed Packet Access	RCS	– Rich Communications Suite
ICT	– Information and Communication Technologies	SAFA	– South Asian Federation of Accountants
ICTA	– Information and Communication Technology Agency	SDN	– Software-Defined Networking
IDD	– International Direct Dialling	SEA ME WE	– South East Asia – Middle East – West Europe
IMS	– IP Multimedia Subsystem	SEAIOCMA	– South East Asia and Indian Ocean Cable Maintenance Agreement
INED	– Independent Non-Executive Director	SLBN	– Sri Lanka Telecom Broadband Network
IoE	– Internet of Everything	SLFRS	– Sri Lanka Financial Reporting Standards
IoT	– Internet of Things	SLIM	– Sri Lanka Institute of Marketing
IPTV	– Internet Protocol Television	SME	– Small and Medium Enterprise
ISP	– Internet Service Provider	SOA	– Service Oriented Architecture
ITU	– International Telecommunication Union		
KPI	– Key Performance Indicator		

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty Eighth (28th) Annual General Meeting of Sri Lanka Telecom PLC will be held at 10.00 am on Thursday, 26 June 2025 at the Main Auditorium of the Sri Lanka Foundation Institute, No. 100, Sri Lanka Padanam Mawatha, Independence Square, Colombo 07 for the purpose of conducting the following business:

Agenda

1. To receive and consider the Annual Report of the Board of Directors on the Affairs of the Company and the Statement of Accounts for the year ended 31 December 2024 with the Report of the Auditors' thereon.
2. To declare a First and Final dividend of Cents Twenty-Five (LKR 0.25) per share as recommended by the Directors.
3. To elect Dr Mothilal de Silva as a Director who was appointed to the Board to fill up a casual vacancy in the Board subsequent to the last Annual General Meeting in terms of Article 97 of the Articles of Association of the Company.
4. To elect Mr Niel Unamboowe, PC as a Director who was appointed to the Board to fill up a casual vacancy in the Board subsequent to the last Annual General Meeting in terms of Article 97 of the Articles of Association of the Company.
5. To elect Mr Chandrasiri Kalupahana as a Director who was appointed to the Board to fill up a casual vacancy in the Board subsequent to the last Annual General Meeting in terms of Article 97 of the Articles of Association of the Company.
6. To elect Mr Thennakoon Mudiyansele Thilakaratne as a Director who was appointed to the Board to fill up a casual vacancy in the Board subsequent to the last Annual General Meeting in terms of Article 97 of the Articles of Association of the Company.
7. To elect Mr Dilip Silva as a Director who was appointed to the Board to fill up a casual vacancy in the Board subsequent to the last Annual General Meeting in terms of Article 97 of the Articles of Association of the Company.
8. To re-elect Mr Suren Amarasekera as a Director in terms of Articles 91 of the Articles of Association of the Company who retires by rotation at this Annual General Meeting in terms of Article 92 of the Articles of Association of the Company.
9. To appoint Mr Lawrence Paratz, who is over 70 years of age as a Director of the Company in terms of section 211 of the Companies Act No. 7 of 2007 and if deemed fit to pass the following resolution as an ordinary resolution.

"IT IS HEREBY RESOLVED that Mr Lawrence Paratz who is over 70 years of age be and is hereby appointed a Director of the Company and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act, No. 07 of 2007 shall not be applicable to the said Mr Lawrence Paratz."

10. (a) To appoint Mr Nihal Fonseka, who is over 70 years of age as a Director of the Company in terms of section 211 of the Companies Act No. 7 of 2007 and if deemed fit to pass the following resolution as an ordinary resolution.

"IT IS HEREBY RESOLVED that Mr Nihal Fonseka who is over 70 years of age be and is hereby appointed a Director of the Company and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act, No. 07 of 2007 shall not be applicable to the said Mr Nihal Fonseka."

(b) To consider Mr Nihal Fonseka as an Independent Director in compliance with Rule 9.8.3 (ix) of the Listing Rules of the Colombo Stock Exchange.

WHEREAS the Board of Directors having confirmed the recommendations made by the Nominations and Governance Committee to consider Mr Nihal Fonseka, who is above 70 years of age, as nevertheless independent, taking into consideration the fact that he meets the criteria for determining independence as set out in Rule 9.8.3 (i) to (viii);

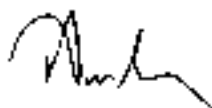
"IT IS HEREBY RESOLVED that Mr Nihal Fonseka who is 72 years of age be and he is hereby considered as an Independent Director of the Company."

Notice of Annual General Meeting

11. To note the appointment of the Auditor General as the Auditors of the company for the ensuing financial year in compliance with Article 154 of the Constitution of the Democratic Socialist Republic of Sri Lanka and National Audit Act, No. 19 of 2018.
12. To authorise the Directors to determine and make donations to charities.
13. To transact any other business of which due notice has been given.

By Order of the Board

SRI LANKA TELECOM PLC



Mahesh Athukorale

Group Company Secretary

23 May 2025

Colombo

Notes

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her.
2. A proxy need not be a member of the Company.
3. A Form of Proxy accompanies this Notice.

Form of Proxy

I/We.....holder of NIC No.....)
of
being a member/members of Sri Lanka Telecom PLC hereby appoint.....
.....(holder of NIC No)
of whom failing*

- | | |
|---------------------------|---------------|
| Dr Mothilal de Silva | whom failing* |
| Mr Chan Chee Beng | whom failing* |
| Mr Suren Amarasekera | whom failing* |
| Mr Niel Unamboowe, PC | whom failing* |
| Mr Chandrasiri Kalupahana | whom failing* |
| Mr T M Thilakaratne | whom failing* |
| Mr Dilip Silva | whom failing* |

as my/our* proxy to represent me/us* to speak and vote for me/us* and on my/our* behalf as indicated below at the 28 Annual General Meeting of the Company, to be held on 26 June 2025 and at any adjournment thereof and at every poll which may be taken in consequence thereof.

		For	Against
1.	To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and the Statement of Accounts for the year ended 31 December 2024 with the Report of the Auditors thereon.	<input type="checkbox"/>	<input type="checkbox"/>
2.	To declare a First and Final dividend of Cents Twenty-Five (LKR 0.25) per share as recommended by the Directors.	<input type="checkbox"/>	<input type="checkbox"/>
3.	To elect Dr Mothilal de Silva as a Director, who retires in terms of Articles 97 of the Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>
4.	To elect Mr Niel Unamboowe, PC, as a Director who retires in terms of Articles 97 of the Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>
5.	To elect Mr Chandrasiri Kalupahana as a Director, who retires in terms of Articles 97 of the Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>
6.	To elect Mr T M Thilakaratne as a Director who retires in terms of Articles 97 of the Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>
7.	To elect Mr Dilip Silva as a Director, who retires in terms of Articles 97 of the Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>
8.	To re-elect Mr Suren Amarasekera as a Director, who retires in terms of Articles 91 and 92 of the Articles of Association.	<input type="checkbox"/>	<input type="checkbox"/>
9.	To appoint Mr Lawrence Paratz, who is above 70 years of age as a Director in terms of Section 211 of the Companies Act No. 7 of 2007.	<input type="checkbox"/>	<input type="checkbox"/>
10.	(a) To appoint Mr Nihal Fonseka who is above 70 years of age as a Director in terms of Section 211 of the Companies Act No. 07 of 2007.	<input type="checkbox"/>	<input type="checkbox"/>
	(b) To consider Mr Nihal Fonseka as an Independent Director in compliance with Rule 9.8.3 (ix) of the Listing Rules of CSE.	<input type="checkbox"/>	<input type="checkbox"/>

- | | For | Against |
|--|--------------------------|--------------------------|
| 11. To authorise the Directors to determine the Auditors' remuneration. | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. To authorise the Directors to determine and make donations to charities. | <input type="checkbox"/> | <input type="checkbox"/> |

In witness my/our hand/seal given on this.....

day of Two Thousand and Twenty-Five.

.....
Signature

* Please delete what is inapplicable.

Note: Instruction as to completion appear overleaf.

INSTRUCTIONS AS TO COMPLETION OF FORM OF PROXY

1. Kindly perfect the Form of Proxy by filling in legibly your full name address and the National Identity Card number and signing in the space provided and filling in the date of signature.
2. Please indicate with an "X" in the space provided, how your proxy is to vote on each resolution. If no indication is given the proxy in his/her discretion will vote as he/she thinks fit.
3. In the case of a corporate member the proxy must be executed in accordance with the Articles of Association. If the Form of Proxy is signed by an Attorney, the relative Power of Attorney should also accompany the completed Form of Proxy, if it has not already been registered with the Company.
4. The completed Form of Proxy should be deposited at the Registered Office of the Company, Sri Lanka Telecom PLC, Lotus Road, Colombo 01 or sent to the e-mail address – sltagm2025@slt.com.lk not later than 48 hours before the time fixed for the holding of the meeting.

Corporate Information

Name of the Company

Sri Lanka Telecom PLC

Legal Form

A public limited liability Company incorporated in Sri Lanka in September 1996, under the Conversion of Public Corporations of Government-Owned Business Undertakings into Public Limited Companies Act No. 23 of 1987 and quoted on the Colombo Stock Exchange in January 2003.

Company Registration Number

PQ 7

Stock Exchange Listing

1,804,860,000 Ordinary Shares of the Company are listed in the Colombo Stock Exchange.

Registered Address

Telecom Headquarters,
Lotus Road, Colombo 01.

Board of Directors

Dr Mothilal de Silva (Chairman)
Mr Chan Chee Beng
Mr Suren Amarasekera
Mr Niel Unamboowe, PC
Mr Chandrasiri Kalupahana
Mr T M Thilakaratne
Mr Dilip Silva

Technology Subcommittee

Mr Suren Amarasekera (Chairman)
Dr Mothilal de Silva
Mr T M Thilakaratne

Group Senior Tender Board

Dr Mothilal de Silva
Mr Niel Unamboowe

Group Audit Committee

Mr Chandrasiri Kalupahana (Chairman)
Mr Suren Amarasekera
Mr Dilip Silva

Related Party Transactions Review Committee

Mr Suren Amarasekera (Chairman)
Mr Chandrasiri Kalupahana
Mr Dilip Silva

Nomination and Governance Committee

Mr Niel Unamboowe, PC (Chairman)
Dr Mothilal de Silva
Mr Chan Chee Beng

Remuneration Committee

Mr Niel Unamboowe, PC (Chairman)
Mr T M Thilakaratne
Mr Chan Chee Beng

Auditors

Auditor General
National Audit Office,
No. 306/72,
Polduwa Road,
Battaramulla.

Company Secretary

Mr Mahesh Athukorale,
Attorney-at-law
ACG – UK

Credit Rating

Fitch Rating
National Long-Term Rating of AA-(lka)

Bankers

Bank of Ceylon
Bank of China
Citi Bank N.A
Commercial Bank of Ceylon PLC
Deutsche Bank
DFCC Bank PLC
Hatton National Bank PLC
HSBC
National Savings Bank
Nations Trust Bank PLC
NDB Bank PLC
Pan Asia Banking Corporation PLC
People's Bank
Sampath Bank PLC
Seylan Bank PLC
Standard Chartered Bank



www.slt.lk