

Ethio Telecom  
IFRS financial statements  
For the year ended 30 June 2019  
Statement of profit or loss and other comprehensive income

	Notes	30 June 2019 Birr'000	30 June 2018 Birr'000
Revenue from contracts with customers	5	36,405,691	34,816,668
Direct costs			
Operating expenses	6(a)	(3,201,044)	(2,906,981)
Net impairment losses on financial and contract assets	6(b)	(11,964,115)	(9,682,990)
Other income (expense)	14, 16, 17	(281,990)	(173,748)
	8	413,765	(213,846)
Earnings before interest, taxes, depreciation and amortization (EBITDA)		21,372,307	21,839,103
Depreciation of property, plant and equipment	11	(6,196,343)	(6,222,741)
Depreciation charge of right of use asset	12	(127,925)	(100,603)
Amortization intangible assets	13	(613,436)	(586,267)
		(6,937,704)	(6,909,611)
Operating profit		14,434,603	14,929,492
Finance income	9	146,577	27,515
Finance costs	9	(4,027,542)	(7,924,729)
Finance costs - net		(3,880,965)	(7,897,214)
<b>Profit / (loss) before income tax</b>		10,553,638	7,032,278
Income tax (expense) / credit	10(a)	(4,219,899)	(2,978,891)
<b>Profit / (loss) after tax</b>		<b>6,333,739</b>	<b>4,053,387</b>
<b>Other comprehensive income (OCI) net on income tax</b>			
<i>Items that will not be subsequently reclassified into profit or loss:</i>			
Remeasurement gain/(loss) on post employment benefits obligations	19	(42,739)	(3,503)
Deferred tax (liability)/asset on remeasurement gain or loss on post employment benefits obligations	10(a)	12,822	1,051
		(29,917)	(2,452)
<b>Total comprehensive income (loss) for the period</b>		<b>6,303,822</b>	<b>4,050,935</b>

The Notes on pages 15 to 55 are an integral part of these financial statements.



Ethio Telecom  
IFRS financial statements  
For the year ended 30 June 2019  
Statement of financial position

		30 June 2019	30 June 2018
	Notes	<u>Birr'000</u>	<u>Birr'000</u>
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, plant and equipment	11	38,455,632	41,116,759
Right of use assets	12	628,012	260,801
Intangible assets	13	1,937,469	2,218,344
Other assets	14(a)	51,904	86,427
Other financial assets at amortised cost	14(c)	7,308,919	7,415,223
		<u>48,381,936</u>	<u>51,097,554</u>
<b>Current assets</b>			
Inventories	15	3,294,474	6,929,012
Other assets	14(a)	2,806,865	3,041,213
Trade receivables	14(b)	7,374,377	9,259,964
Other financial assets at amortised cost	14(c)	131,566	135,621
Investment securities at amortised cost	16	3,438,078	946,428
Cash and cash equivalents	17	12,447,041	15,538,827
		<u>29,492,401</u>	<u>35,851,065</u>
<b>Total assets</b>		<u><u>77,874,337</u></u>	<u><u>86,948,619</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	18	26,830,327	31,444,923
Provisions	20(c)	11,217	6,722
Lease liabilities	12	422,907	136,188
Grants	23	660	705
Deferred tax liabilities	10(d)	332,693	528,179
Defined benefit liabilities	19	479,964	403,477
		<u>28,077,768</u>	<u>32,520,194</u>
<b>Current liabilities</b>			
Borrowings	18	7,332,337	7,008,425
Contract liabilities	20(a)	7,136,634	7,643,770
Trade and other payables	20(b)	18,598,735	18,785,667
Provisions	20(c)	16,305	7,279
Lease liabilities	12	136,845	59,809
Grants	23	43	3,020,816
Defined benefit liabilities	19	46,938	37,483
Current income tax	10(c)	9,416,546	11,056,813
		<u>42,684,383</u>	<u>47,620,062</u>
<b>Total liabilities</b>		<u><u>70,762,151</u></u>	<u><u>80,140,256</u></u>
<b>Equity attributable to owners</b>			
Capital	21	4,749,719	4,749,719
Retained earnings		1,466,954	1,133,215
Legal reserve	22	949,944	949,944
Other reserves	24	(54,432)	(24,515)
<b>Total equity</b>		<u><u>7,112,185</u></u>	<u><u>6,808,363</u></u>
<b>Total equity and liabilities</b>		<u><u>77,874,337</u></u>	<u><u>86,948,619</u></u>

The Notes on pages 15 to 55 are an integral part of these financial statements.  
The financial statements on pages 11 to 55 were approved and authorised for issue on 03 December 2021 and were signed by:

W/t Frehiwot Tamiru  
Chief Executive Officer  
03 December 2021



Ethio Telecom  
IFRS financial statements  
For the year ended 30 June 2019  
Statement of cash flows

	Notes	30 June 2019 Birr'000	30 June 2018 Birr'000
<b>Cash flows from operating activities</b>			
Cash generated from operations			
Interest income received	26	23,434,783	27,853,736
Interest expense paid		107,137	4,167
Income tax paid	18	(1,317,768)	(981,063)
	10	(6,042,829)	(5,210,786)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>16,181,323</b>	<b>21,666,054</b>
<b>Cash flows from investing activities</b>			
Purchase of investment securities	16	(2,500,000)	(300,000)
Purchase of intangible assets	13	(17,157)	(202)
Purchase of property, plant and equipment	11	(3,852,130)	(1,665,259)
Payment for right of use assets		(8,298)	(126)
Proceeds from sale of property, plant and equipment		117,956	82,710
<b>Net cash (outflow)/inflow from investing activities</b>		<b>(6,259,629)</b>	<b>(1,882,877)</b>
<b>Cash flows from financing activities</b>			
Repayments of borrowings	18	(6,511,669)	(4,764,478)
Principal elements of lease payments	12	(117,744)	(89,528)
Payment to Ethiopian Railways Corporation	25	(6,000,000)	(3,215,699)
<b>Net cash (outflow)/inflow from financing activities</b>		<b>(12,629,413)</b>	<b>(8,069,705)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(2,707,719)</b>	<b>11,713,473</b>
Cash and cash equivalents at the beginning of the year	17	15,538,827	4,207,111
Effects of exchange rate changes on cash and cash equivalents	17	(384,067)	(381,757)
<b>Cash and cash equivalents at the end of the year</b>	17	<b>12,447,041</b>	<b>15,538,827</b>

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