

Ethio Telecom
IFRS financial statements
For the year ended 30 June 2018
Statement of profit or loss and other comprehensive income

	Notes	30 June 2018 Birr'000	30 June 2017 Birr'000
Revenue from contracts with customers	5	34,816,668	29,962,314
Direct costs			
Operating expenses	6(a)	(2,906,981)	(2,488,636)
Net impairment losses on financial and contract assets	6(b)	(9,682,990)	(6,892,130)
Other income (expense)	14 16 17 8	(173,748) (213,846)	(487,189) 311,071
Earnings before interest, taxes, depreciation and amortization (EBITDA)		21,839,103	20,405,430
Depreciation of property, plant and equipment	11	(6,222,741)	(6,120,882)
Depreciation charge of right of use asset	12	(100,603)	(94,952)
Amortization intangible assets	13	(586,267)	(479,784)
		(6,909,611)	(6,695,618)
Operating profit		14,929,492	13,709,812
Finance income	9	27,515	12,175
Finance costs	9	(7,924,729)	(3,067,457)
Finance costs - net		(7,897,214)	(3,055,282)
Profit / (loss) before income tax		7,032,278	10,654,530
Income tax (expense) / credit	10(a)	(2,978,891)	(1,819,086)
Profit / (loss) after tax		4,053,387	8,835,444
Other comprehensive income (OCI) net on income tax			
<i>Items that will not be subsequently reclassified into profit or loss:</i>			
Remeasurement gain/(loss) on post employment benefits obligations	19	(3,503)	(31,519)
Deferred tax (liability)/asset on remeasurement gain or loss on post employment benefits obligations	10(a)	1,051	9,456
		(2,452)	(22,063)
Total comprehensive income (loss) for the period		4,050,935	8,813,381

The notes on pages 15 to 67 are an integral part of these financial statements.



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IFRS financial statements
For the year ended 30 June 2018
Statement of financial position

	Notes	30 June 2018 Birr'000	30 June 2017 Birr'000	1 July 2016 Birr'000
ASSETS				
Non current assets				
Property, plant and equipment	11	41,116,759	45,678,189	50,122,386
Right of use assets	12	260,801	355,554	381,874
Intangible assets	13	2,218,344	2,804,409	2,537,090
Other assets	14(a)	86,427	102,428	19,527
Other financial assets at amortised cost	14(c)	7,415,223	3,641,254	104,318
		<u>51,097,554</u>	<u>52,581,834</u>	<u>53,165,195</u>
Current assets				
Inventories	15	6,929,012	6,815,294	5,539,875
Other assets	14(a)	3,041,213	3,763,131	2,955,039
Trade receivables	14(b)	9,259,964	6,833,002	8,312,506
Other financial assets at amortised cost	14(c)	135,621	117,977	52,609
Investment securities at amortised cost	16	946,428	647,008	646,940
Cash and cash equivalents	17	15,538,827	4,207,111	2,770,692
		<u>35,851,065</u>	<u>22,383,523</u>	<u>20,277,661</u>
Total assets		<u>86,948,619</u>	<u>74,965,357</u>	<u>73,442,856</u>
EQUITY AND LIABILITIES				
LIABILITIES				
Non-current liabilities				
Borrowings	18	31,444,923	32,250,874	32,394,318
Provisions	20(c)	6,722	7,576	5,982
Lease liabilities	12	136,188	183,126	221,060
Grants	23	705	2,311,655	1,554,256
Deferred tax liabilities	10(d)	528,179	4,443,153	7,410,921
Defined benefit liabilities	19	403,477	362,317	307,217
		<u>32,520,194</u>	<u>39,558,701</u>	<u>41,893,754</u>
Current liabilities				
Borrowings	18	7,008,425	4,491,587	3,551,021
Contract liabilities	20(a)	7,643,770	2,809,202	5,165,069
Trade and other payables	20(b)	18,785,667	12,990,209	15,886,310
Provisions	20(c)	7,279	7,336	4,245
Lease liabilities	12	59,809	96,676	113,703
Grants	23	3,020,816	45	73
Defined benefit liabilities	19	37,483	34,628	28,412
Current income tax	10(c)	11,056,813	9,003,846	8,387,250
		<u>47,620,062</u>	<u>29,433,529</u>	<u>33,136,083</u>
Total liabilities		<u>80,140,256</u>	<u>68,992,230</u>	<u>75,029,837</u>
Equity attributable to owners				
Capital	21	4,749,719	4,749,719	4,749,719
Retained earnings		1,133,215	295,527	(7,097,793)
Legal reserve	22	949,944	949,944	761,093
Other reserves	24	(24,515)	(22,063)	-
		<u>6,808,363</u>	<u>5,973,127</u>	<u>(1,586,981)</u>
Total equity and liabilities		<u>86,948,619</u>	<u>74,965,357</u>	<u>73,442,856</u>

The notes on pages 15 to 67 are an integral part of these financial statements.

The financial statements on pages 11 to 67 were approved and authorised for issue on 03 December 2021 and were signed by:

W/t Frehiwot Tamiru
Chief Executive Officer
29 November 2021



Ethio Telecom
IFRS financial statements
For the year ended 30 June 2018
Statement of cash flows

	Notes	30 June 2018 Birr'000	30 June 2017 Birr'000
Cash flows from operating activities			
Cash generated from operations	26	27,853,736	13,610,946
Interest income received		4,167	3,445
Interest expense paid	18	(981,063)	(618,816)
Income tax paid	10	(5,210,786)	(4,160,802)
Net cash (outflow)/inflow from operating activities		21,666,054	8,834,773
Cash flows from investing activities			
Purchase of investment securities		(300,000)	-
Purchase of intangible assets		(202)	(193,653)
Purchase of property, plant and equipment		(1,665,259)	(2,230,137)
Payment for right of use assets		(126)	(940)
Proceeds from sale of property, plant and equipment		82,710	37,984
Net cash (outflow)/inflow from investing activities		(1,882,877)	(2,386,745)
Cash flows from financing activities			
Repayments of borrowings	18	(4,764,478)	(3,540,587)
Principal elements of lease payments	12	(89,528)	(122,653)
Payment to Ethiopian Railways Corporation	25(a)	(3,215,699)	(1,253,273)
Net cash (outflow)/inflow from financing activities		(8,069,705)	(4,916,513)
Net increase/(decrease) in cash and cash equivalents		11,713,473	1,531,514
Cash and cash equivalents at the beginning of the year	17	4,207,111	2,770,692
Effects of exchange rate changes on cash and cash equivalents		(381,757)	(95,095)
Cash and cash equivalents at the end of the year	17	15,538,827	4,207,111

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