

Ethio Telecom
IFRS financial statements
For the year ended 30 June 2020
Statement of profit or loss and other comprehensive income

	Notes	30 June 2020 Birr'000	30 June 2019 Birr'000
Revenue from contracts with customers	5	47,628,412	36,405,691
Direct costs	6(a)	(4,492,433)	(3,201,044)
Operating expenses	6(b)	(15,271,623)	(11,964,115)
Net impairment losses on financial and contract assets	14, 16, 17	(89,465)	(281,990)
Other income (expense)	8	848,660	413,765
Earnings before interest, taxes, depreciation and amortization (EBITDA)		28,623,551	21,372,307
Depreciation of property, plant and equipment	11	(5,712,906)	(6,196,343)
Depreciation charge of right of use asset	12	(168,879)	(127,925)
Amortization intangible assets	13	(600,617)	(613,436)
		(6,482,402)	(6,937,704)
Operating profit		22,141,149	14,434,603
Finance income	9	337,799	146,577
Finance costs	9	(7,960,608)	(4,027,542)
Finance costs - net		(7,622,809)	(3,880,965)
Profit / (loss) before income tax		14,518,340	10,553,638
Income tax (expense) / credit	10(a)	(5,065,268)	(4,219,899)
Profit / (loss) after tax		9,453,072	6,333,739
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	(53,641)	(42,739)
Deferred tax (liability)/asset on remeasurement gain or loss	10(a)	16,092	12,822
		(37,549)	(29,917)
Total comprehensive income (loss) for the period		9,415,523	6,303,822

The Notes on pages 15 to 58 are an integral part of these financial statements.



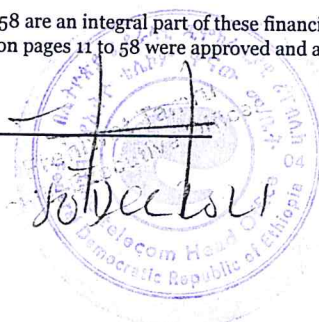
Ethio Telecom
IFRS financial statements
For the year ended 30 June 2020
Statement of financial position

	Notes	30 June 2020 Birr'000	30 June 2019 Birr'000
ASSETS			
Non current assets			
Property, plant and equipment	11	35,705,951	38,455,632
Right of use assets	12	749,256	628,012
Intangible assets	13	1,953,127	1,937,469
Other assets	14(a)	25,298	51,904
Other financial assets at amortised cost	14(c)	7,205,098	7,308,919
Notes receivable at amortised cost	16(a)	638,743	-
Deferred tax assets	10(d)	1,085,423	-
		<u>47,362,896</u>	<u>48,381,936</u>
Current assets			
Inventories	15	3,062,563	3,294,474
Other assets	14(a)	1,932,546	2,806,865
Trade receivables	14(b)	8,701,043	7,374,377
Other financial assets at amortised cost	14(c)	109,371	131,566
Notes receivable at amortised cost	16(a)	3,455	-
Investment securities at amortised cost	16(b)	2,534,018	3,438,078
Cash and cash equivalents	17	15,172,911	12,447,041
		<u>31,515,907</u>	<u>29,492,401</u>
Total assets		<u>78,878,803</u>	<u>77,874,337</u>
EQUITY AND LIABILITIES			
LIABILITIES			
Non-current liabilities			
Borrowings	18	24,353,615	26,830,327
Provisions	20(c)	15,316	11,217
Lease liabilities	12	482,865	422,907
Grants	23	610	660
Deferred tax liabilities	10(d)		332,693
Defined benefit liabilities	19	594,983	479,964
		<u>25,447,389</u>	<u>28,077,768</u>
Current liabilities			
Borrowings	18	8,119,350	7,332,337
Contract liabilities	20(a)	7,438,510	7,136,634
Trade and other payables	20(b)	18,601,534	18,598,736
Provisions	20(c)	17,879	16,305
Lease liabilities	12	176,875	136,845
Grants	23	45	43
Defined benefit liabilities	19	52,428	46,938
Current income tax	10(c)	7,497,085	9,416,546
		<u>41,903,706</u>	<u>42,684,384</u>
Total liabilities		<u>67,351,095</u>	<u>70,762,152</u>
Equity attributable to owners			
Capital	21	4,749,719	4,749,719
Retained earnings	25 (a)	5,920,026	1,466,954
Legal reserve	22	949,944	949,944
Other reserves	24	(91,981)	(54,432)
		<u>11,527,708</u>	<u>7,112,185</u>
Total equity		<u>11,527,708</u>	<u>7,112,185</u>
Total equity and liabilities		<u>78,878,803</u>	<u>77,874,337</u>

The Notes on pages 15 to 58 are an integral part of these financial statements.

The financial statements on pages 11 to 58 were approved and authorised for issue on 10 December 2021 and were signed by:

W/t Frehiwot Tamiru
Chief Executive Officer
10 December 2021



Ethio Telecom
IFRS financial statements
For the year ended 30 June 2020
Statement of cash flows

	Notes	30 June 2020 Birr'000	30 June 2019 Birr'000
Cash flows from operating activities			
Cash generated from operations	26	27,302,462	23,271,993
Interest income received		321,280	107,137
Interest expense paid	18	(972,840)	(1,317,768)
Income tax paid	10	(8,386,755)	(6,042,829)
Net cash (outflow)/inflow from operating activities		18,264,148	16,018,533
Cash flows from investing activities			
Sale of placements with financial institutions	16	250,000	(2,500,000)
Purchase of intangible assets	13	(17,416)	(17,157)
Purchase of property, plant and equipment	11	(2,493,312)	(3,689,339)
Payment for right of use assets		(12,311)	(8,298)
Proceeds from sale of property, plant and equipment		155,866	117,955
Net cash (outflow)/inflow from investing activities		(2,117,173)	(6,096,839)
Cash flows from financing activities			
Repayments of borrowings	18	(7,315,238)	(6,511,669)
Principal elements of lease payments	12	(183,630)	(117,744)
Payment to Ethiopian Railways Corporation		(5,000,000)	(6,000,000)
Net cash (outflow)/inflow from financing activities		(12,498,869)	(12,629,413)
Net increase/(decrease) in cash and cash equivalents		3,648,106	(2,707,719)
Cash and cash equivalents at the beginning of the year	17	12,447,041	15,538,827
Effects of exchange rate changes on cash and cash equivalents	17	(922,236)	(384,067)
Cash and cash equivalents at the end of the year	17	15,172,911	12,447,041

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