

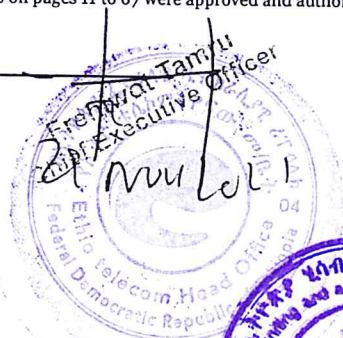
Ethio Telecom
IFRS financial statements
For the year ended 30 June 2018
Statement of financial position

| | 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) | - |
| Total equity | | <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 |

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

