

**Interim Condensed Financial Statements  
as at and for the quarter ended 30 September 2022  
(Un-audited)**

## Grameenphone Ltd.

### Interim condensed statement of financial position (un-audited) As at 30 September 2022

	Notes	30 September 2022	31 December 2021
		<u>BDT (000)</u>	<u>BDT (000)</u>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	62,243,353	60,387,950
Intangible assets	5	3,565,421	3,632,296
Right-of-use assets	6	61,535,198	62,533,832
Contract cost	7	5,664,925	6,035,958
Other non-current assets	8	20,471,568	20,549,067
<b>Total non-current assets</b>		<b>153,480,465</b>	<b>153,139,103</b>
<b>Current assets</b>			
Inventories	9	804,057	260,230
Trade receivables and others	10	10,285,606	6,858,686
Cash and cash equivalents	11	4,876,055	2,748,661
<b>Total current assets</b>		<b>15,965,718</b>	<b>9,867,577</b>
<b>Total assets</b>		<b>169,446,183</b>	<b>163,006,680</b>
<b>Equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital	13	13,503,000	13,503,000
Share premium	14	7,840,226	7,840,226
Capital reserve	15	14,446	14,446
Retained earnings		21,144,636	28,520,886
<b>Total equity</b>		<b>42,502,308</b>	<b>49,878,558</b>
<b>Non-current liabilities</b>			
Lease liabilities		24,936,946	22,675,135
Deferred tax liabilities	16	1,903,329	3,425,488
Employee benefits		1,534,895	1,336,085
Other non-current liabilities	17	483,714	455,308
<b>Total non-current liabilities</b>		<b>28,858,884</b>	<b>27,892,016</b>
<b>Current liabilities</b>			
Trade payables and others	18	28,053,387	25,521,622
Provisions		14,557,502	15,703,449
Lease liabilities		9,052,573	9,445,609
Loans and borrowings	19	13,750,000	5,500,000
Current tax liabilities	20	28,233,322	25,603,868
Other current liabilities	21	4,396,288	3,414,334
Unclaimed dividend		41,919	47,224
<b>Total current liabilities</b>		<b>98,084,991</b>	<b>85,236,106</b>
<b>Total equity and liabilities</b>		<b>169,446,183</b>	<b>163,006,680</b>

The annexed notes 1 to 36 form an integral part of these interim condensed financial statements.

Sd/-  
\_\_\_\_\_  
Chairman

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
Chief Executive Officer

Sd/-  
\_\_\_\_\_  
Chief Financial Officer

Sd/-  
\_\_\_\_\_  
Company Secretary

Dated: Dhaka, 19 October 2022

## Grameenphone Ltd.

### Interim condensed statement of profit or loss and other comprehensive income (un-audited) For the quarter ended 30 September 2022

Notes	01 January to 30 September		01 July to 30 September		
	2022	2021	2022	2021	
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	
<b>Revenue</b>	22	112,867,466	106,784,472	38,649,294	36,209,189
Cost of material and traffic charges	23	(8,079,922)	(7,086,789)	(2,638,225)	(2,341,434)
Salaries and personnel cost	24	(6,889,589)	(8,469,117)	(2,254,237)	(3,143,348)
Operation and maintenance	25	(4,661,911)	(3,870,452)	(1,567,670)	(1,361,390)
Sales, marketing and commissions	26	(11,649,868)	(9,837,555)	(3,953,112)	(3,141,692)
Revenue sharing and spectrum charges		(8,444,959)	(8,056,316)	(2,922,734)	(2,820,690)
Other operating (expenses)/income	27	(5,257,175)	(4,356,810)	(1,547,980)	(1,620,853)
Depreciation and amortisation		(19,580,446)	(17,361,710)	(6,641,128)	(6,022,559)
		(64,563,870)	(59,038,749)	(21,525,086)	(20,451,966)
<b>Operating profit</b>		<b>48,303,596</b>	<b>47,745,723</b>	<b>17,124,208</b>	<b>15,757,223</b>
Finance (expense)/income	28	(2,531,455)	(1,800,280)	(962,272)	(715,124)
Foreign exchange gain/(loss)		(659,279)	103,255	(372,092)	87,405
		(3,190,734)	(1,697,025)	(1,334,364)	(627,719)
<b>Profit before tax</b>		<b>45,112,862</b>	<b>46,048,698</b>	<b>15,789,844</b>	<b>15,129,504</b>
Income tax expense	29	(18,731,612)	(20,079,788)	(6,713,200)	(6,572,060)
<b>Profit after tax</b>		<b>26,381,250</b>	<b>25,968,910</b>	<b>9,076,644</b>	<b>8,557,444</b>
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>26,381,250</b>	<b>25,968,910</b>	<b>9,076,644</b>	<b>8,557,444</b>
<b>Earnings per share</b>					
Basic earnings per share (par value BDT 10 each in BDT)	30	<b>19.54</b>	<b>19.23</b>	<b>6.72</b>	<b>6.34</b>

The annexed notes 1 to 36 form an integral part of these interim condensed financial statements.

Sd/-  
\_\_\_\_\_  
Chairman

Sd/-  
\_\_\_\_\_  
Director

Sd/-  
\_\_\_\_\_  
Chief Executive Officer

Sd/-  
\_\_\_\_\_  
Chief Financial Officer

Sd/-  
\_\_\_\_\_  
Company Secretary

Dated: Dhaka, 19 October 2022

## Grameenphone Ltd.

### Interim condensed statement of changes in equity (un-audited) For the nine-month period ended 30 September 2022

	Share capital BDT (000)	Share premium BDT (000)	Capital reserve BDT (000)	Retained earnings BDT (000)	Total BDT (000)
<b>Balance as at 01 January 2021</b>	13,503,000	7,840,226	14,446	30,749,942	52,107,614
Transactions with the equity holders:					
Final dividend for 2020	-	-	-	(19,579,350)	(19,579,350)
Interim dividend for 2021	-	-	-	(16,878,751)	(16,878,751)
Total comprehensive income for the nine-month period ended 30 September:					
Profit for the period	-	-	-	25,968,910	25,968,910
Other comprehensive income	-	-	-	-	-
<b>Balance as at 30 September 2021</b>	<b>13,503,000</b>	<b>7,840,226</b>	<b>14,446</b>	<b>20,260,751</b>	<b>41,618,423</b>
<b>Balance as at 01 January 2022</b>	<b>13,503,000</b>	<b>7,840,226</b>	<b>14,446</b>	<b>28,520,886</b>	<b>49,878,558</b>
Transactions with the equity holders:					
Final dividend for 2021	-	-	-	(16,878,750)	(16,878,750)
Interim dividend for 2022	-	-	-	(16,878,750)	(16,878,750)
Total comprehensive income for the nine-month period ended 30 September:					
Profit for the period	-	-	-	26,381,250	26,381,250
Other comprehensive income	-	-	-	-	-
<b>Balance as at 30 September 2022</b>	<b>13,503,000</b>	<b>7,840,226</b>	<b>14,446</b>	<b>21,144,636</b>	<b>42,502,308</b>

## Grameenphone Ltd.

### Interim condensed statement of cash flows (un-audited) For the nine-month period ended 30 September 2022

	01 January to 30 September	
	2022	2021
	BDT (000)	BDT (000)
<b>Cash flows from operating activities</b>		
Cash receipts from customers	111,715,467	106,913,970
Payroll and other payments to employees	(5,980,665)	(5,867,537)
Payments to suppliers, contractors and others	(35,638,932)	(34,303,942)
Interest received	78,611	80,872
Interest paid	(2,203,923)	(1,726,960)
Income tax paid	(17,624,317)	(19,358,974)
	(61,369,226)	(61,176,541)
<b>Net cash generated by operating activities</b>	<b>50,346,241</b>	<b>45,737,429</b>
<b>Cash flows from investing activities</b>		
Payment for acquisition of property, plant and equipment, right-of-use assets and intangible assets	(16,742,564)	(15,092,813)
Proceeds from sale of property, plant and equipment	68,732	194,308
<b>Net cash used in investing activities</b>	<b>(16,673,832)</b>	<b>(14,898,505)</b>
<b>Cash flows from financing activities</b>		
Proceeds from short-term bank loan	8,250,000	12,615,000
Transfer of IPO subscription money to Capital Market Stabilisation Fund	-	(5,292)
Transfer of unclaimed dividend to Capital Market Stabilisation Fund	-	(114,403)
Payment of dividend	(33,591,966)	(38,073,313)
Payment of lease liabilities	(6,504,728)	(3,921,920)
<b>Net cash used in financing activities</b>	<b>(31,846,694)</b>	<b>(29,499,928)</b>
<b>Net change in cash and cash equivalents</b>	<b>1,825,715</b>	<b>1,338,996</b>
<b>Cash and cash equivalents as at 01 January</b>	<b>2,748,661</b>	<b>2,598,738</b>
<b>Effect of exchange rate fluctuations on cash held</b>	<b>301,679</b>	<b>1,026</b>
<b>Cash and cash equivalents as at 30 September</b>	<b>4,876,055</b>	<b>3,938,760</b>

# Grameenphone Ltd.

## Notes to the interim condensed financial statements For the period ended 30 September 2022

### 1 Corporate information

Grameenphone Ltd. (hereinafter referred to as "Grameenphone"/"GP"/"the Company") is a public limited company incorporated in Bangladesh in 1996 under the Companies Act 1994 and has its registered address at GPHOUSE, Bashundhara, Baridhara, Dhaka 1229. Grameenphone was initially registered as a private limited company and subsequently converted into a public limited company on 25 June 2007. During November 2009, Grameenphone listed its shares with both Dhaka and Chittagong Stock Exchanges. The immediate parent of Grameenphone is Telenor Mobile Communications AS and the ultimate parent is Telenor ASA; both the companies are incorporated in Norway.

The Company is primarily involved in providing mobile telecommunication services (voice, data and other related services), along with digital services in Bangladesh. The company also provides international roaming services through international roaming agreements with various operators of different countries across the world.

### 2 Basis of preparation

These interim condensed financial statements are individual financial statements of Grameenphone, and have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*, the Companies Act 1994, the Securities and Exchange Rules 2020, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act, 2015 and other applicable laws in Bangladesh and should be read in conjunction with the financial statements of Grameenphone Ltd. as at and for the year ended 31 December 2021, the year for which the last full financial statements were prepared. These unconsolidated financial statements present the financial position and performance of Grameenphone and its investment in Accenture Communications Infrastructure Solutions Ltd. (ACISL) being accounted for under the equity method in accordance with IAS 28 *Investment in Associates and Joint Ventures*.

In accordance with the requirements of IAS 36 *Impairment of Assets*, the carrying amount of investment in ACISL as at 31 October 2016 had been fully impaired and no further share of loss has been recognised in line with paragraph 39 of IAS 28 *Investment in Associates and Joint Ventures*. The assessment of recoverable amount from investment in associate remained unchanged as at 30 September 2022. Hence, for understanding of Grameenphone's stand-alone financial performance, a separate statement of profit or loss and other comprehensive income is not necessary.

These financial statements have been prepared on going concern basis. Unless otherwise specifically mentioned, historical cost principle has been followed for the purpose of these financial statements. The amounts in these financial statements have been rounded off to the nearest BDT in thousand (BDT'000) except otherwise indicated. As a result of these rounding off, in some instances the totals may not match the sum of individual balances.

#### Authorisation for issue

These interim condensed financial statements were authorised for issue by the Board of Directors of the Company on 19 October 2022.

### 3 Significant accounting policies

The same accounting policies and methods of computation have been followed in these interim condensed financial statements as were applied in the preparation of the financial statements of Grameenphone Ltd. as at and for the year ended 31 December 2021.

4 Property, plant and equipment

Name of assets	Cost				Depreciation				Carrying amount	
	As at 01 January 2022	Addition during the period	Disposal/ Adjustment during the period	As at 30 September 2022	As at 1 January 2022	Charged during the period	Disposal/ Adjustment during the period	As at 30 September 2022	As at 30 September 2022	As at 31 December 2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Land	1,069,921	190	-	1,070,111	-	-	-	-	1,070,111	1,069,921
Building	4,064,482	27,283	-	4,091,765	2,219,937	133,906	-	2,353,843	1,737,922	1,844,545
Base station	134,197,356	8,846,010	(1,284,353)	141,759,013	90,441,309	7,477,230	(1,256,300)	96,662,239	45,096,774	43,756,047
Transmission equipment	21,542,040	739,052	-	22,281,092	18,094,570	1,139,909	-	19,234,479	3,046,613	3,447,470
Computers and other IT equipment	8,332,855	1,487,754	(9,852)	9,810,757	5,987,571	793,768	(9,232)	6,772,107	3,038,650	2,345,284
Furniture and fixtures (including office equipment)	2,885,809	73,442	(94,087)	2,865,164	2,677,076	85,863	(92,483)	2,670,456	194,708	208,733
Vehicles	893,196	39,487	(135,176)	797,507	464,644	75,223	(98,401)	441,466	356,041	428,552
	172,985,659	11,213,218	(1,523,468)	182,675,409	119,885,107	9,705,899	(1,456,416)	128,134,590	54,540,819	53,100,552
Capital work in progress	7,287,398	11,628,354	(11,213,218)	7,702,534	-	-	-	-	7,702,534	7,287,398
	<b>180,273,057</b>	<b>22,841,572</b>	<b>(12,736,686)</b>	<b>190,377,943</b>	<b>119,885,107</b>	<b>9,705,899</b>	<b>(1,456,416)</b>	<b>128,134,590</b>	<b>62,243,353</b>	<b>60,387,950</b>

5 Intangible assets

Name of assets	Cost				Amortisation				Carrying amount	
	As at 01 January 2022	Addition during the period	Disposal/ Adjustment during the period	As at 30 September 2022	As at 1 January 2022	Charged during the the period	Disposal/ Adjustment during the period	As at 30 September 2022	As at 30 September 2022	As at 31 December 2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Software and others	14,266,259	739,952	-	15,006,211	11,642,147	741,136	-	12,383,283	2,622,928	2,624,112
	14,266,259	739,952	-	15,006,211	11,642,147	741,136	-	12,383,283	2,622,928	2,624,112
Capital work in progress	1,008,184	674,261	(739,952)	942,493	-	-	-	-	942,493	1,008,184
	<b>15,274,443</b>	<b>1,414,213</b>	<b>(739,952)</b>	<b>15,948,704</b>	<b>11,642,147</b>	<b>741,136</b>	<b>-</b>	<b>12,383,283</b>	<b>3,565,421</b>	<b>3,632,296</b>

6 Right-of-use assets

Name of assets	Cost				Amortisation				Carrying amount	
	As at 01 January 2022	Addition during the period	Disposal/ adjustment during the period	As at 30 September 2022	As at 01 January 2022	Charged during the period	Disposal/ adjustment during the period	As at 30 September 2022	As at 30 September 2022	As at 31 December 2021
	BDT (000)	BDT (000)		BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Fibre Optic Network	11,377,496	645,426	-	12,022,922	7,260,222	455,876	-	7,716,098	4,306,824	4,117,274
Telecom licence, annual licence renewal fees and spectrum	86,161,920	-	-	86,161,920	42,009,596	5,586,859	-	47,596,455	38,565,465	44,152,324
Base transceiver station - Green Field	1,866,112	45,487	(28,125)	1,883,474	607,781	242,747	(5,377)	845,151	1,038,323	1,258,331
Base transceiver station - Roof Top	4,226,254	300,103	(141,805)	4,384,552	1,951,937	568,064	(101,475)	2,418,526	1,966,026	2,274,317
Infrastructure sharing site	14,065,842	7,069,283	-	21,135,125	3,716,591	2,128,195	-	5,844,786	15,290,339	10,349,251
Office/residential space	780,888	155,651	(92,534)	844,005	398,553	151,670	(74,439)	475,784	368,221	382,335
	<b>118,478,512</b>	<b>8,215,950</b>	<b>(262,464)</b>	<b>126,431,998</b>	<b>55,944,680</b>	<b>9,133,411</b>	<b>(181,291)</b>	<b>64,896,800</b>	<b>61,535,198</b>	<b>62,533,832</b>

6.1 Right-of-use assets addition

Right-of-use assets addition for the nine-month period ended 30 September 2022 is BDT 8,215,950,000. BDT 23,924,000 has been paid at the time of acquisition and has been classified as part of investing activities in the interim condensed statement of cash flows. The remaining amount of BDT 8,192,026,000 will be paid in the future when due for payment and shall be classified as part of financing activities.



**7 Contract cost**

	<b>As at 30 September 2022 BDT (000)</b>	<b>As at 31 December 2021 BDT (000)</b>
Opening balance	6,035,958	4,934,438
Additions during the period	1,675,866	3,617,429
Amortisation during the period	(2,046,899)	(2,515,909)
	<b>5,664,925</b>	<b>6,035,958</b>

This includes deferred customer acquisition cost mainly in the form of SIM cost, different commissions and other directly attributable costs related to acquisition of customers.

**8 Other non-current assets**

Other non-current assets include deposit of BDT 20,000,000,000 to Bangladesh Telecommunication Regulatory Commission (BTRC) in pursuant to the order of Hon'ble Appellate Division of the Supreme Court of Bangladesh.

**9 Inventories**

	<b>As at 30 September 2022 BDT (000)</b>	<b>As at 31 December 2021 BDT (000)</b>
Handset, data card and other devices	129,913	19,508
SIM card	632,255	206,160
Scratch card	41,889	34,562
	<b>804,057</b>	<b>260,230</b>

**10 Trade receivables and others**

	<b>As at 30 September 2022 BDT (000)</b>	<b>As at 31 December 2021 BDT (000)</b>
<b>Trade receivables</b>		
Trade receivables, gross	7,672,315	6,560,774
Impairment loss allowance	(1,776,428)	(1,696,308)
	<b>5,895,887</b>	<b>4,864,466</b>
<b>Other receivables</b>		
Interest receivable	47,570	-
Receivables from employees	19,726	30,156
Other non-interest-bearing receivables	1,445,108	1,620,338
Impairment loss allowance	(116,481)	(116,481)
	<b>1,395,923</b>	<b>1,534,013</b>
<b>Other non-financial assets</b>		
Prepaid expenses (Note 10.1)	2,993,796	460,207
	<b>10,285,606</b>	<b>6,858,686</b>

**10.1** This includes BDT 2,484,041,661 (inclusive of VAT) paid to Bangladesh Telecommunication Regulatory Commission (BTRC) with regards to purchase of 60 MHz spectrum in 2600 MHz band in the Radio Frequency Auction conducted by BTRC on 31 March 2022. The amount consists of 10% of the total purchase price and the application fee paid to participate in the auction.

## 11 Cash and cash equivalents

	<b>As at 30 September 2022 BDT (000)</b>	<b>As at 31 December 2021 BDT (000)</b>
Cash in hand	153,198	77,136
Cash at bank	4,722,857	2,671,525
	<b>4,876,055</b>	<b>2,748,661</b>

### 11.1 Restricted cash balance

Cash at bank as at reporting date includes BDT 44,003,864 (2021: BDT 45,669,564) equivalent to unused Mobicash points in customer wallet and is therefore treated as restricted cash balance.

Additionally, Cash at bank as at reporting date includes BDT 41,918,556 (2021: BDT 47,222,066) equivalent to dividend unclaimed amount (principal portion), BDT 1,675,323 (2021: BDT 1,675,323) equivalent to unclaimed IPO subscription amount (principal portion) and BDT 1,242,254 (2021: 3,005,343) equivalent to accrued interest on unclaimed dividend and IPO subscription amount.

## 12 Net asset value per share

	<b>As at 30 September 2022</b>	<b>As at 31 December 2021</b>
Net Asset (BDT)	42,502,308,000	49,878,558,000
Weighted average number of ordinary shares outstanding during the period	1,350,300,022	1,350,300,022
Net asset value per share (par value BDT 10 each) (BDT)	<b>31.48</b>	<b>36.94</b>

## 13 Share capital

	<b>As at 30 September 2022 BDT (000)</b>	<b>As at 31 December 2021 BDT (000)</b>
<b>Authorised:</b>		
4,000,000,000 ordinary shares of BDT 10 each	40,000,000	40,000,000
	<b>40,000,000</b>	<b>40,000,000</b>
<b>Issued, subscribed, called up and paid up:</b>		
1,350,300,022 ordinary shares of BDT 10 each	13,503,000	13,503,000
	<b>13,503,000</b>	<b>13,503,000</b>

The Company was initially registered with ordinary shares of BDT 43.00 each. These shares were subsequently converted into BDT 10 shares through a 43:1 split at the 16th EGM (held on 15 July 2008) and 1:10 reverse split at the 19th EGM (held on 2 July 2009).

There has been no change in share capital during the current and comparative period.

### 13.1 Shareholding position

#### a) Percentage of shareholdings

Name of shareholders	% of holding		Value of shares (BDT)		Date of issue/ Transfer of Shares
	As at 30 September 2022	As at 31 December 2021	As at 30 September 2022	As at 31 December 2021	
Telenor Mobile Communications AS, Norway	55.80%	55.80%	7,534,081,540	7,534,081,540	10 October 1996 24 September 1997 25 August 1998 7 December 1998 19 April 2004 21 October 2004 21 December 2004 31 May 2007 15 July 2008 02 July 2009 31 October 2019
Grameen Telecom, Bangladesh	34.20%	34.20%	4,617,664,090	4,617,664,090	10 October 1996 24 September 1997 25 August 1998 7 December 1998 19 April 2004 21 October 2004 27 November 2004 31 May 2007 15 July 2008 02 July 2009
Grameen Kalyan, Bangladesh	0.00%	0.00%	220	220	31 May 2007 15 July 2008 02 July 2009
Grameen Shakti, Bangladesh	0.00%	0.00%	220	220	31 May 2007 15 July 2008 02 July 2009
General public, GP employees and institutions	10.01%	10.01%	1,351,254,150	1,351,254,150	28 October 2009 28 October 2019
	<b>100.00%</b>	<b>100.00%</b>	<b>13,503,000,220</b>	<b>13,503,000,220</b>	

215 shares of Telenor Asia Pte Ltd, Singapore are presented under institutional shareholders as per regulatory direction.

#### b) Classification of shareholders by range of number of shares held

Shareholding range	No. of shareholders		No. of shares	
	As at 30 September 2022	As at 31 December 2021	As at 30 September 2022	As at 31 December 2021
1-500	29,094	23,985	4,665,915	3,992,372
501-5,000	5,902	4,857	9,572,581	7,948,098
5,001-10,000	581	472	4,294,294	3,434,998
10,001-20,000	310	245	4,438,532	3,493,533
20,001-30,000	124	112	3,122,072	2,797,971
30,001-40,000	68	53	2,392,268	1,894,072
40,001-50,000	39	31	1,792,572	1,403,462
50,001-100,000	98	93	7,056,986	6,472,840
100,001-1,000,000	118	108	36,049,784	33,204,184
1,000,001-1,000,000,000	21	23	1,276,915,018	1,285,658,492
	<b>36,355</b>	<b>29,979</b>	<b>1,350,300,022</b>	<b>1,350,300,022</b>

**14 Share premium**

Total amount of BDT 8,384,003,437 was received as share premium in respect of shares issued to shareholders. Net issue cost of BDT 543,777,495 was set off against share premium as per IAS 32 *Financial Instruments: Presentation*.

**15 Capital reserve**

In 1999, Grameenphone issued 5,086,779 preference shares of BDT 45.84 each, which were converted into ordinary shares of BDT 43.00 each in 2004. The balance of BDT 2.84 per share was transferred to capital reserve account. The conversion was in accordance with provisions of Articles of Association of Grameenphone. This amount is not distributable as dividend as per the Companies Act 1994.

**16 Deferred tax liabilities**

	<b>As at 30 September 2022 BDT'000</b>	<b>As at 31 December 2021 BDT'000</b>
Taxable temporary differences	45,653,456	46,442,032
Deductible temporary differences	(40,895,134)	(37,878,313)
Net taxable temporary differences	<u>4,758,322</u>	<u>8,563,719</u>
Deferred tax liabilities @ 40% tax rate	<u><b>1,903,329</b></u>	<u><b>3,425,488</b></u>

**17 Other non-current liabilities**

	<b>As at 30 September 2022 BDT (000)</b>	<b>As at 31 December 2021 BDT (000)</b>
Asset retirement obligations	370,499	349,735
Other non-current liabilities	<u>113,215</u>	<u>105,573</u>
	<u><b>483,714</b></u>	<u><b>455,308</b></u>

**18 Trade payables and others**

	<b>As at 30 September 2022 BDT'000</b>	<b>As at 31 December 2021 BDT'000</b>
<b>Financial liabilities</b>		
Trade payables including liability for capital expenditure	13,607,168	12,458,906
Accrued expenses	6,406,234	5,757,060
Indirect taxes	<u>2,511,626</u>	<u>1,862,224</u>
	<u><b>22,525,028</b></u>	<u><b>20,078,190</b></u>
<b>Other non-financial liabilities</b>		
Deferred connection revenue	20,994	6,514
Unearned revenue	<u>5,507,365</u>	<u>5,436,918</u>
	<u><b>5,528,359</b></u>	<u><b>5,443,432</b></u>
<b>Total trade payables and others</b>	<u><b>28,053,387</b></u>	<u><b>25,521,622</b></u>

**19 Loans and borrowings**

Current portion of loans and borrowings includes short-term bank loan of BDT 13,750,000,000 (2021: 5,500,000,000).

**20 Current tax liabilities**

	<b>As at</b>	<b>As at</b>
	<b>30 September 2022</b>	<b>31 December 2021</b>
	<b>BDT'000</b>	<b>BDT'000</b>
Movement of current tax liabilities is shown as under:		
Opening balance	25,603,868	24,870,650
Provision made during the period including transactions for other comprehensive income	20,934,755	26,662,291
	<u>46,538,623</u>	<u>51,532,941</u>
Paid during the period (incl. tax deducted at source)	(17,624,317)	(25,950,477)
Adjustments/provision released during the period	(680,984)	21,404
Closing balance	<u><b>28,233,322</b></u>	<u><b>25,603,868</b></u>

**21 Other current liabilities**

	<b>As at</b>	<b>As at</b>
	<b>30 September 2022</b>	<b>31 December 2021</b>
	<b>BDT'000</b>	<b>BDT'000</b>
Accruals for profit sharing plan	2,255,643	303,136
Payable for bills pay receipts	69,320	144,270
Security deposits from subscribers and channel partners	578,949	571,749
Dividend payable	170,840	-
Others	1,321,536	2,395,179
	<u><b>4,396,288</b></u>	<u><b>3,414,334</b></u>

## 22 Revenue

	01 January to 30 September		01 July to 30 September	
	2022	2021	2022	2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
The following is an analysis of revenue for the period:				
Revenue from contract with customers (Note 22.1)	111,529,274	105,537,417	38,191,924	35,787,289
Lease revenues	1,338,192	1,247,055	457,370	421,900
	<b>112,867,466</b>	<b>106,784,472</b>	<b>38,649,294</b>	<b>36,209,189</b>

### 22.1 Disaggregation of revenue from contract with customers

#### Type of good/services

Revenue from mobile communication	111,215,296	105,221,179	38,085,268	35,731,837
Revenue from customer equipment	205,354	236,599	71,842	30,250
Other revenues	108,624	79,639	34,814	25,202
	<b>111,529,274</b>	<b>105,537,417</b>	<b>38,191,924</b>	<b>35,787,289</b>

#### Type of subscription

Prepaid	106,262,649	100,558,226	36,360,961	34,167,314
Contract	4,952,647	4,662,953	1,724,307	1,564,523
Other	313,978	316,238	106,656	55,452
	<b>111,529,274</b>	<b>105,537,417</b>	<b>38,191,924</b>	<b>35,787,289</b>

#### Type of customer

Consumer	99,230,808	93,187,532	33,979,362	31,658,005
Business	12,298,466	12,349,885	4,212,562	4,129,284
	<b>111,529,274</b>	<b>105,537,417</b>	<b>38,191,924</b>	<b>35,787,289</b>

## 23 Cost of material and traffic charges

	01 January to 30 September		01 July to 30 September	
	2022	2021	2022	2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Traffic charges	6,861,505	5,864,658	2,236,170	1,998,916
Cost of materials and services	1,218,417	1,222,131	402,055	342,518
	<b>8,079,922</b>	<b>7,086,789</b>	<b>2,638,225</b>	<b>2,341,434</b>

## 24 Salaries and personnel cost

Salaries and personnel cost includes salaries, bonuses, different employment benefits including provident, gratuity, profit sharing (WPPF), employee share programme for employees, long term incentive programme for key personnel, training and other related costs. Additionally, gratuity expense includes BDT 1,157,224,308 (2021: BDT 1,796,256,793) for restructuring expense during the nine-month period ended 30 September 2022. The WPPF expense for the same period is BDT 2,255,642,959 (2021: BDT 2,302,435,006).

## 25 Operation and maintenance

	01 January to 30 September		01 July to 30 September	
	2022	2021	2022	2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Service maintenance fee	2,570,809	2,471,705	812,644	832,864
Vehicle maintenance expense	203,013	182,543	83,616	59,156
Other operation and maintenance	1,888,089	1,216,204	671,410	469,370
	<b>4,661,911</b>	<b>3,870,452</b>	<b>1,567,670</b>	<b>1,361,390</b>

26 Sales, marketing and commissions

	01 January to 30 September		01 July to 30 September	
	2022	2021	2022	2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Sales, marketing and representation costs	481,733	505,134	155,033	122,507
Advertisement expenses	880,338	903,150	274,661	314,445
Promotional expenses	212,280	99,152	59,794	39,719
Commissions	10,075,517	8,330,119	3,463,624	2,665,021
	<b>11,649,868</b>	<b>9,837,555</b>	<b>3,953,112</b>	<b>3,141,692</b>

27 Other operating expenses/(income)

	01 January to 30 September		01 July to 30 September	
	2022	2021	2022	2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Consultancy and professional services	643,034	538,280	206,107	154,066
Rental expense for property, plant and equipment	156,481	137,993	61,796	12,562
Fuel and energy costs	3,499,864	3,107,583	1,216,679	1,060,814
Impairment loss/(loss reversal) on trade receivables	196,162	(63,386)	94,923	22,181
Rental and other income	(4,032)	(147,013)	(3,894)	(48,543)
(Gain)/loss on disposal of assets	13,494	(126,852)	(7,345)	(137,926)
Others	752,172	910,205	(20,286)	557,699
	<b>5,257,175</b>	<b>4,356,810</b>	<b>1,547,980</b>	<b>1,620,853</b>

28 Finance expense/(income)

	01 January to 30 September		01 July to 30 September	
	2022	2021	2022	2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
Interest income	(126,181)	(111,586)	(52,492)	(34,479)
Interest expense	322,834	3,725	212,034	36,606
Net interest cost on defined benefit obligation	69,672	79,464	23,224	26,488
Interest expenses on lease liabilities	2,205,677	1,782,460	759,958	676,131
Other finance expenses	59,453	46,217	19,548	10,378
	<b>2,531,455</b>	<b>1,800,280</b>	<b>962,272</b>	<b>715,124</b>

29 Income tax expense

	01 January to 30 September		01 July to 30 September	
	2022	2021	2022	2021
	BDT (000)	BDT (000)	BDT (000)	BDT (000)
<u>Current tax expense</u>				
Income tax expenses for the period	20,934,755	22,341,298	6,782,964	6,920,466
Adjustments/provision released during the period	(680,984)	25,457	-	-
	<b>20,253,771</b>	<b>22,366,755</b>	<b>6,782,964</b>	<b>6,920,466</b>
<u>Deferred tax expense/(income)</u>				
Deferred tax expense/(income) relating to origination and reversal of temporary differences, net	(1,522,159)	(2,286,967)	(69,764)	(348,406)
	<b>18,731,612</b>	<b>20,079,788</b>	<b>6,713,200</b>	<b>6,572,060</b>

### 29.1 Reconciliation of effective tax rate

	01 January to 30 September 2022		01 January to 30 September 2021		01 July to 30 September 2022		01 July to 30 September 2021	
	Percentage	BDT (000)	Percentage	BDT (000)	Percentage	BDT (000)	Percentage	BDT (000)
Profit before tax		45,112,862		46,048,698		15,789,844		15,129,504
Tax using the Company's tax rate	40.00%	18,045,145	40.00%	18,419,480	40.00%	6,315,938	40.00%	6,051,802
Tax effect of:								
Provision for non-deductible expenses	3.45%	1,556,804	3.61%	1,660,308	2.52%	397,262	3.44%	520,258
Adjustments/provision released during the period	-1.51%	(680,985)	-	-	0.00%	-	-	-
Other components of tax as per Income Tax Ordinance 1984	-0.42%	(189,352)	-	-	0.00%	-	-	-
	<b>41.52%</b>	<b>18,731,612</b>	<b>43.61%</b>	<b>20,079,788</b>	<b>42.52%</b>	<b>6,713,200</b>	<b>43.44%</b>	<b>6,572,060</b>

### 30 Earnings per share (EPS)

	01 January to 30 September 2022		01 January to 30 September 2021		01 July to 30 September 2022		01 July to 30 September 2021	
	Profit attributable to ordinary shareholders (BDT)	26,381,250,000	25,968,910,000	9,076,644,000	8,557,444,000	1,350,300,022	1,350,300,022	1,350,300,022
Weighted average number of ordinary shares outstanding during the period								
Basic EPS (par value BDT 10 each) (BDT)	<b>19.54</b>	<b>19.23</b>	<b>6.72</b>	<b>6.34</b>				

No diluted earnings per share is required to be calculated for the periods presented as Grameenphone has no dilutive potential ordinary shares.



**31 Reconciliation of net operating cash flow**

	<b>01 January to 30 September 2022</b>	<b>01 January to 30 September 2021</b>
	<b>BDT (000)</b>	<b>BDT (000)</b>
<b>Profit after tax</b>	26,381,250	25,968,910
Income tax expense	18,731,612	20,079,788
<b>Profit before tax</b>	<u>45,112,862</u>	<u>46,048,698</u>
<b>Adjustment for:</b>		
Depreciation & Amortization	19,580,446	17,361,710
(Gain)/Loss on sale of property, plant and equipment	13,494	(126,852)
Finance (expense)/income, net	2,531,455	1,800,280
Other adjustments	<u>(113,699)</u>	<u>103,521</u>
	67,124,558	65,187,357
<b>Changes in:</b>		
Inventories	(543,827)	(83,446)
Trade receivables and others	(942,878)	66,697
Trade payables and others	3,623,181	240,881
Provisions	(147,118)	(74,398)
Other current liabilities	<u>981,954</u>	<u>1,405,400</u>
Cash generated from operating activities	70,095,870	66,742,491
Interest received	78,611	80,872
Interest paid	(2,203,923)	(1,726,960)
Income tax paid	<u>(17,624,317)</u>	<u>(19,358,974)</u>
<b>Net cash generated by operating activities</b>	<b><u>50,346,241</u></b>	<b><u>45,737,429</u></b>

**32 Net operating cash flow per share**

	<b>01 January to 30 September 2022</b>	<b>01 January to 30 September 2021</b>
Net operating cash flow (BDT)	<u>50,346,241,000</u>	<u>45,737,429,000</u>
Weighted average number of ordinary shares outstanding during the period	<u>1,350,300,022</u>	<u>1,350,300,022</u>
Net operating cash flow per share (par value BDT 10 each) (BDT)	<b><u>37.29</u></b>	<b><u>33.87</u></b>

### 33 Related party disclosures

During the nine-month period ended 30 September 2022, the company entered into a number of transactions with related parties in the normal course of business. The names of the significant related parties, nature of these transactions [expenditures/(revenue)/, receivables/(payables)] and amounts thereof have been set out below in accordance with the provisions of IAS 24 *Related Party Disclosures*. Nature of relationship and significance of the amounts have been considered in giving this disclosure.

#### 33.1 Related party transactions

Name of related parties	Nature	Nature of transactions	Transaction for the nine months ended		Receivables/(payables) as at	
			30 September 2022	30 September 2021	30 September 2022	31 December 2021
			BDT (000)	BDT (000)	BDT (000)	BDT (000)
Telenor Mobile Communications AS	Shareholder	Dividend payment	18,835,204	21,967,712	-	-
Telenor Asia Pte. Ltd.	Shareholder	Dividend payment	5	6	-	-
Grameen Telecom	Shareholder	Commission expense	181,429	137,318	(200)	(200)
		Connection revenue	-	-	5	5
		Dividend payment	11,544,160	12,467,693	-	-
Grameen Kalyan	Shareholder	Dividend payment	0.6	0.6	-	-
Grameen Shakti	Shareholder	Dividend payment	0.6	0.6	-	-
Accenture Communications Infrastructure Solutions Ltd.	Associate		-	-	5,084	5,084
			-	-	(6,360)	(6,360)
Telenor ASA	Telenor group entity	Consultancy, professional and technical support service fee	696,368	771,130	77,660	60,396
					(5,118,104)	(4,463,496)
Telenor Global Services AS	Telenor group entity	Consultancy, professional and technical support service fee	127,956	43,904	6,748	90,061
		A2P Project Revenue and professional service fee	(787,819)	(763,337)	(728,792)	(159,915)
Telenor Global Shared Services AS	Telenor group entity	Consultancy, professional and technical support service fee	197,749	189,239	(1,395,364)	(1,224,458)

Name of related parties	Nature	Nature of transactions	Transaction for the nine months ended		Receivables/(payables) as at	
			30 September 2022	30 September 2021	30 September 2022	31 December 2021
			BDT (000)	BDT (000)	BDT (000)	BDT (000)
Telenor Go Pte Ltd.	Telenor group entity	Consultancy and professional service fee including compensation of key management personnel where relevant	126,636	108,985	93,098 (212,959)	74,057 (179,087)
Telenor Digital AS	Telenor group entity	Consultancy, professional and technical support service fee	-	48,958	- -	7,864 (409,379)
Telenor Procurement Company	Telenor group entity	Consultancy, professional and technical support service fee Software acquisition cost	438,061 2,956	349,496 138,291	4,619 (1,814,485)	256 (1,448,499)
Telenor Norway	Telenor group entity	Roaming revenue net of discount Roaming cost net of discount	(52) 23	(28) 7	12 (6)	19 (1)
Telenor Norge AS	Joint venture of Telenor group	Consultancy, professional and technical support service fee	179,579	224,949	195 (1,125,441)	195 (971,143)
DiGi Telecommunications	Telenor group entity	Consultancy, professional and technical support service fee	(1,415)	(2,585)	(1,410) 459	(8,268) -
Telenor Sweden	Telenor group entity	Roaming revenue net of discount Roaming cost net of discount	(36) 13	(31) 7	3 (3)	3 (0)
Telenor Denmark	Telenor group entity	Roaming revenue net of discount Roaming cost net of discount	(347) 23	(242) 6	135 (6)	42 (1)
Telenor Pakistan	Telenor group entity	Roaming revenue net of discount Roaming cost net of discount Consultancy Fees	(0.1) 9 616	(0.1) 9 1,615	833 (1,780)	833 (947)
Telenor Myanmar	Telenor group entity	Roaming revenue net of discount Roaming cost net of discount Consultancy Fees	(46) 3 434	(81) 0.2 -	32 (0.1)	8 (117)

<b>Name of related parties</b>	<b>Nature</b>	<b>Nature of transactions</b>	<b>Transaction for the nine months ended</b>		<b>Receivables/(payables) as at</b>	
			<b>30 September 2022</b>	<b>30 September 2021</b>	<b>30 September 2022</b>	<b>31 December 2021</b>
			<b>BDT (000)</b>	<b>BDT (000)</b>	<b>BDT (000)</b>	<b>BDT (000)</b>
Dtac Thailand	Telenor group entity	Roaming revenue net of discount	(168)	(371)	495	390
		Roaming cost net of discount	508	108	(355)	(70)
Digi Malaysia	Telenor group entity	Roaming revenue net of discount	(508)	(265)	637	62
		Roaming cost net of discount	92	27	(199)	(7)
Grameen Distribution	Related to Grameen Telecom through Grameen Telecom Trust	Cost of products	-	-	-	-
		Purchase of handsets	113	-	-	-
Grameen Communication	Related to Grameen Telecom	Software solution and maintenance	81	217	-	-
Grameen Telecom Trust	Grameenphone's board members nominated by Grameen Telecom are trustee of the entity	Receivable from Commission Expense	-	81,967	-	-
Telenor Consult AS	Telenor group entity		-	-	(1,849)	(1,849)
Telenor Southeast Asia Investment Limited	Telenor group entity		-	-	(142,358)	(146,629)
Telenor Connexion AB	Telenor group entity		-	-	(904)	(882)
Grameen Solutions Limited	Related to Grameen Telecom		-	-	(26)	(26)
Telenor India	Telenor group entity		-	-	3,616	3,616
Telenor Health AS	Telenor group entity		-	-	-	173,822
					-	-

### 34 Commitments

	<u>As at</u> <u>30 September 2022</u> <u>BDT (000)</u>	<u>As at</u> <u>31 December 2021</u> <u>BDT (000)</u>
Capital commitment (open purchase order) for Property, plant and equipment	5,111,573	4,245,168
Capital commitment (open purchase order) for Intangible assets	<u>974,792</u>	<u>399,697</u>

### 35 Contingencies

Except as disclosed below there has been no significant development of the events disclosed in the financial statements for the year ended 31 December 2021.

#### (a) BTRC audit

With regard to the earlier audit (1997-2011), the hearing of the application filed by BTRC for summary dismissal of the original Title Suit pending before the District Court is yet to take place and the next date for hearing of the said application is fixed on 05 February 2023.

With regard to the recent audit (1997-2014), BTRC submitted its reply in the Title Suit on 16 May 2022 which was accepted by the District Court on 27 July 2022. As per GP's assessment, BTRC has not responded to GP's arguments in substance and hence GP's position on the demand remains unchanged. The Court has fixed the next date on 16 November 2022. In the ordinary course, the parties will have to inform the Court on their positions about statutory mediation.

#### (b) VAT rebate on 2G licence renewal fee

On 26 July 2022, the Appeal hearing has started before the Hon'ble Appellate Division and further hearing will take place in due course.

#### (c) Interest for delayed payment of Guaranteed Annual Rent to Bangladesh Railway

The hearing of both the arbitration applications; for seeking stay on the proceedings of the Certificate Case and for appointment of BR's Arbitrator, concluded before the Hon'ble HCD on 13 February 2022 and awaiting judgement. The next date of hearing in the Certificate case is fixed on 10 November 2022.

### 36 Other disclosures

#### 36.1 Purchase of spectrum

On 31 March 2022, Bangladesh Telecommunication Regulatory Commission (BTRC) conducted a Radio Frequency Auction for 100 MHz in 2.3 GHz band comprised of 10 blocks of 10 MHz each and 120 MHz in 2.6 GHz band comprised of 12 blocks of 10 MHz each to existing telecom operators. GP participated in that auction and secured 60 MHz spectrum from 2.6 GHz band at a total price of BDT 23,092,364,290. Non-recoverable VAT of BDT 1,731,927,322 at the rate of 7.5% will be added to the total price. The effective date of the spectrum will be 1 November 2022 as approved by BTRC.

The spectrum has provisionally been assigned by BTRC through a letter dated 3 April 2022 to GP. GP has deposited BDT 2,482,429,161 (inclusive of 7.5% VAT) as 10% of the total purchase price (inclusive of VAT) by 30 June 2022 which was a precondition of the final assignment of spectrum by BTRC. The remaining 90% of the total price will be paid off in equal instalments over nine years starting from 1 November 2023.