

## 10 Information, Communication & Transport Services

### Performance at a Glance

The balance sheet size of Information, communication & transport services sector increased by Rs 261.20 billion (26.87 percent) during 2022, reaching Rs 1,233.26 billion. While the liabilities of the sector increased by Rs 311.38 billion during 2022, the shareholders' equity declined by Rs 50.18 billion (26.86 percent). The sales of the sector posted a YoY growth of 64.23 percent. While the sector posted Rs 148.29 in gross profit (YoY increase of Rs 99.43 billion), the profit after taxation remained negative during 2022. Therefore, the ROA and ROE remained negative for yet another year.

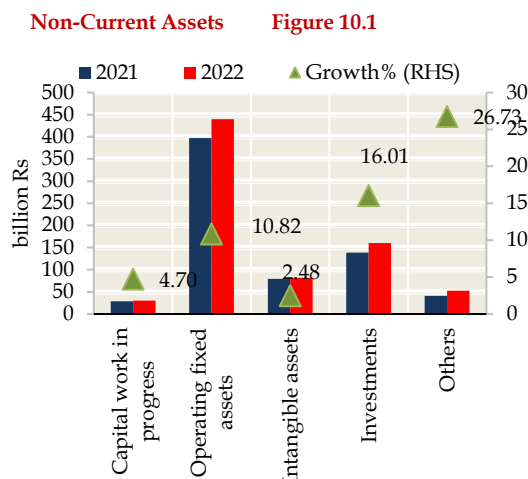
Sector's Summary (billion Rs)			Table 10.1
Items	2022	2021	Growth (%)
<b>Assets</b>	<b>1,233.26</b>	<b>972.07</b>	<b>26.87</b>
Non-Current	763.90	684.47	11.60
Current	469.36	287.59	63.20
<b>Liabilities</b>	<b>1,470.26</b>	<b>1,158.89</b>	<b>26.87</b>
Non-Current	672.95	592.52	13.57
Current	797.32	566.36	40.78
<b>Equity</b>	<b>-237.00</b>	<b>-186.82</b>	<b>-26.86</b>
<i>of which</i>			
Paid up Capital	161.75	155.21	4.22
Reserves	-502.27	-433.28	-15.92
<b>Sales</b>	<b>484.78</b>	<b>295.18</b>	<b>64.23</b>
<b>Gross Profit</b>	<b>148.29</b>	<b>48.86</b>	<b>203.48</b>
<b>Profit after tax</b>	<b>-11.17</b>	<b>-11.74</b>	<b>4.85</b>
<b>ROA (%)</b>	<b>-1.01</b>	<b>-1.31</b>	<b>-</b>
<b>ROE (%)</b>	<b>-5.27</b>	<b>-6.31</b>	<b>-</b>

### Assets

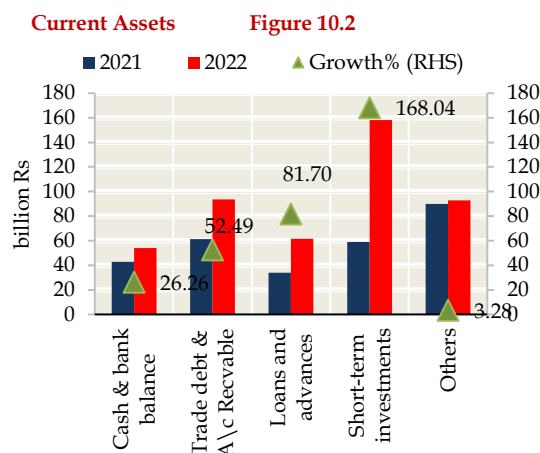
The assets accumulation during 2022 came primarily in the form of current assets, which recorded an increase of Rs 181.77 billion (63.20 percent) whereas non-current assets increased by Rs 79.43 billion (11.60 percent).

The non-current assets of the sector reached Rs 763.90 billion during 2022. Operating fixed assets (after deducting accumulated depreciation) posted an increase Rs 42.94 billion, inflated to Rs 439.82 billion in 2022. Long-term

investments was second largest contributor which increased to Rs 160.41 billion during 2022, recording an increase of Rs 22.14 billion.



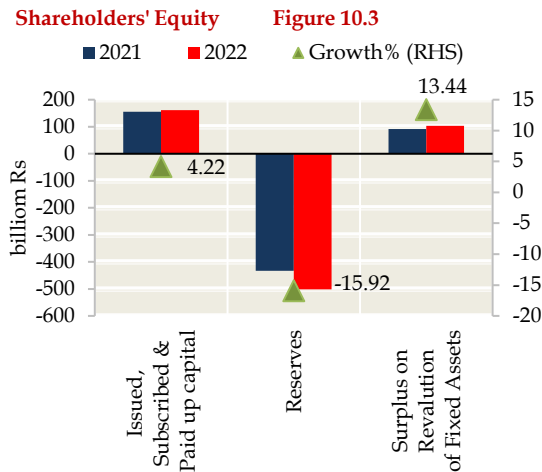
The current assets of the sector increased to Rs 469.36 billion during 2022. Major contributors in the increase of current assets were short term investments (Rs 99.19 billion), trade debt/accounts receivables (Rs 32.23 billion), and short term loans & advances (Rs 27.66 billion).



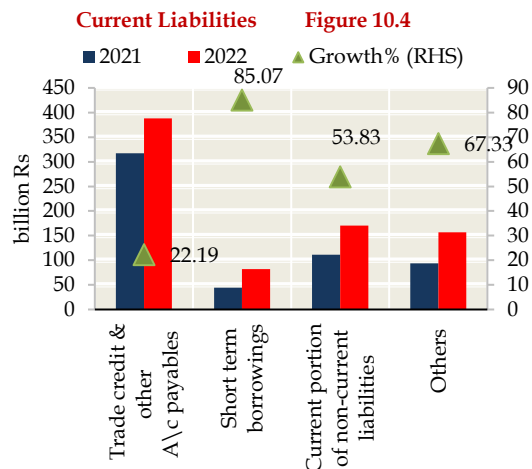
### Shareholders' Equity & Liabilities

The shareholders' equity fell by Rs 50.18 billion, deteriorating to negative Rs 237.00 billion during 2022. Major changes came in reserves, which fell by Rs 68.98 billion during 2022,

followed by surplus on revaluation of fixed asset, which increased by Rs 12.26 billion. Besides, issued, subscribed & paid up capital increased by Rs 6.54 billion during the year.

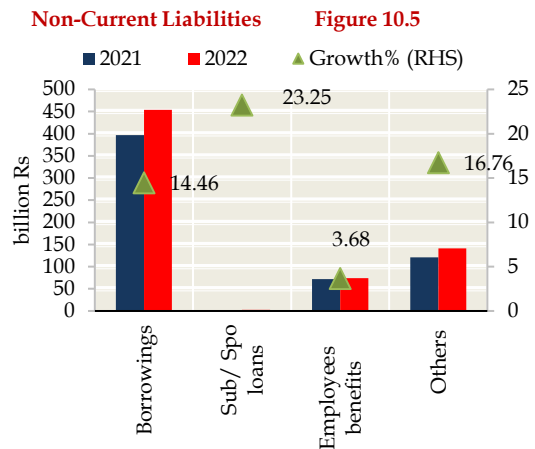


The liabilities showed a growth of 26.87 percent during 2022, reaching Rs 1470.26 billion. The current liabilities showed an increase of Rs 230.95 billion during 2022, reaching Rs 797.32 billion. Trade Credit & other accounts payables contributed highest rise (Rs 70.42 billion), followed by Current portion of non-current liabilities (Rs 59.73 billion) and short-term borrowings (Rs 37.73 billion).



The non-current liabilities increased by Rs 80.42 billion during 2022, reaching Rs 672.95 billion. Long-term borrowing (which constituted 67.45

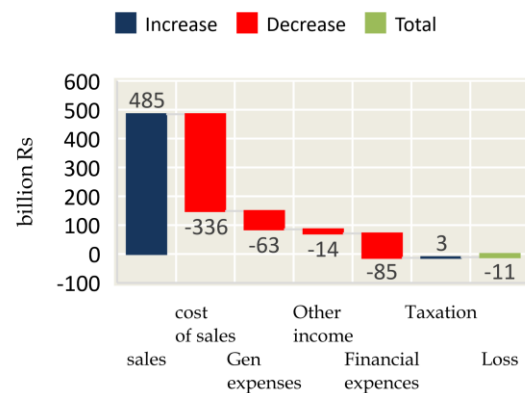
percent share of non-current liabilities) posted an increase of Rs 57.34 billion.



### Operating Efficiency & Ratio Analysis

Sales of the sector recoded a phenomenal YoY rise of Rs 189.61 billion during 2022, jumped up to Rs 484.78 billion. The gross profit rose to Rs 148.29 billion during 2022, posted a YoY growth of 203.48 percent. The EBIT increased YoY by Rs 33.19 billion during 2022. The sector witnessed a loss before taxation of Rs 14.19 billion, recording an increase of Rs 9.78 billion YoY. The loss after taxation was Rs 11.17 billion during 2022, showing a YoY increase of Rs 0.57 billion.

**Operation Efficiency Figure 10.6**



In terms of ratio analysis, return on assets (ROA) was negative 1.01 percent whereas return on equity (ROE) was negative 5.27 percent during the year under review.