



ASC.

PUBLIC ACCOUNTABILITY | SHARED GROWTH

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AUDIT SERVICE CORPORATION

ETHIOPIAN INDUSTRIAL INPUTS DEVELOPMENT ENTERPRISE

INDEPENDENT AUDITOR'S REPORT

AND

FINANCIAL STATEMENTS

30 JUNE 2023

Betselot Seifu Tekleslasie
A/Purchasing & Finance
Management Directorate Director



Ethiopian Industrial Inputs Development Enterprise
Independent Auditor's Report and Annual Financial Statements
Statement of managements' responsibilities
For the year ended 30 June 2023

In accordance with the Financial Reporting Proclamation No. 847/2014 and the Directive issued by the Accounting and Auditing Board of Ethiopia (AABE), the Enterprise is required to prepare financial statements in accordance with International Financial Reporting Standards (IFRS).

The management are responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) and with the requirements of the Commercial Code of Ethiopia 2021, and for such internal controls as management determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The management accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the IFRS and in the manner required by the Commercial Code of Ethiopia 2021. The management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Enterprise and of its operating results. The management further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Management are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Enterprise and of its profit or loss.

The management further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the management to indicate that the Enterprise will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Board and Management by:

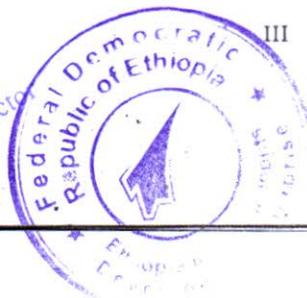
Dawit Adane
for Chief Executive Officer

H.E. Ato Melaku Alebel
Chairperson of the Board of Directors

Dawit Adane Teka

Dawit Adane Teka
Chief Executive Officer

27
Betselot Seifu Tekleslasie
A/Purchasing & Finance
Management Directorate Director



Ethiopian Industrial Inputs Development Enterprise
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

| | Notes | 2023 Birr | 2022 Birr |
|--|-------|--------------------|--------------------|
| Revenue | 15 | 4,278,518,736 | 4,183,979,659 |
| Cost of sales | 17 | (3,384,892,647) | (3,592,358,003) |
| Gross profit | | 893,626,089 | 591,621,656 |
| Other income | 18 | 20,483,618 ✓ | 7,219,057 |
| Selling and distribution expenses | 19 | (131,846,368) | (88,841,278) |
| General and administrative expenses | 20 | (334,298,056) | (419,070,043) |
| Operating profit | | 447,965,283 | 90,929,393 |
| Finance income | 21 | 17,435,582 ✓ | *34,221,052 |
| Finance costs | 21 | (1,582,151) | (2,371,589) |
| Profit before business income tax | | 463,818,714 | 122,778,856 |
| Income tax expense | 13.2 | (140,827,934) | (74,695,667) |
| Profit for the year | | 322,990,780 | 48,083,189 |
| Other comprehensive income | | - | - |
| Total comprehensive (loss) income for the | | 322,990,780 | 48,083,189 |

The notes on pages 9 to 45 are an integral part of these financial statements.

20
Betselot Seifu Tekleslasie
As Purchasing & Finance
Management Directorate Director



Ethiopian Industrial Inputs Development Enterprise
Statement of changes in equity
For the year ended 30 June 2023

| | Capital | IFRS Remeasurment reserve Birr | Loan redemption reserve Birr | Retained earnings Birr | Legal reserve Birr | Total Birr |
|--|----------------------|-----------------------------------|---------------------------------|---------------------------|-----------------------|----------------------|
| As at 01 July 2021 | 1,306,042,415 | 1,484,749,916 | - | 172,347,318 | 25,027,862 | 2,988,167,511 |
| Profit for the year | - | - | - | 48,083,189 | - | 48,083,189 |
| Transfer to non-distributable reserve | - | - | - | - | - | - |
| Dividend paid | - | - | - | (28,864,183) | - | (28,864,183) |
| Transfer to legal reserve | - | - | - | (960,950) | 960,950 | - |
| Total comprehensive income for the year | - | - | - | 18,258,056 | 960,950 | 14,805,825 |
| As at 30 June 2022 | 1,306,042,415 | 1,484,749,916 | - | 190,605,374 | 25,988,812 | 3,007,386,517 |
| As at 01 July 2022 | 1,306,042,415 | 1,484,749,916 | - | 190,605,374 | 25,988,812 | 3,007,386,517 |
| Correction of prior year error | - | - | - | (19,269,162) | - | (19,269,162) |
| Profit for the year | - | - | - | 322,990,780 | - | 322,990,780 |
| Non-recoverable prior years tax claims (Note 10) | - | (798,675,007) | - | - | - | (798,675,007) |
| Transfer to non-distributable reserve | - | - | - | - | - | - |
| Dividend paid | - | - | - | (21,856,594) | - | (21,856,594) |
| Transfer to legal reserve | - | - | - | (14,093,251) | 14,093,251 | - |
| Total comprehensive income for the year | - | (798,675,007) | - | 267,771,773 | 14,093,251 | (516,809,983) |
| As at 30 June 2023 | 1,306,042,415 | 686,074,909 | - | 458,377,146 | 40,082,063 | 2,490,576,533 |

The notes on pages 9 to 45 are an integral part of these financial statements.

Beselot Seifu Tekleslasie
 A/Purchasing & Finance
 Management Director

