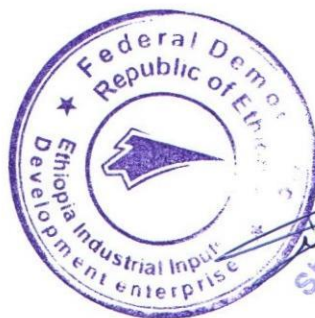


**ETHIOPIAN INDUSTRIAL INPUTS DEVELOPMENT  
ENTERPRISE**

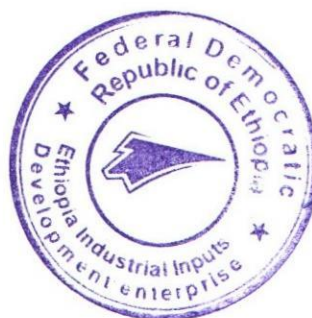
**CONDENSED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**



**Sharew Teshome Beharu  
Purchasing & Finance  
Director**

**ETHIOPIAN INDUSTRIAL INPUTS DEVELOPMENT ENTERPRISE**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

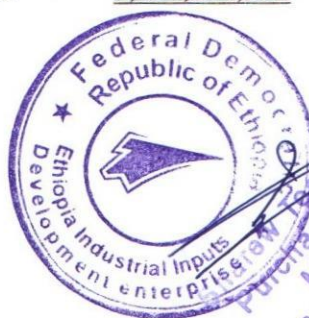
	Notes	2020 Ethiopian Birr	2019 Ethiopian Birr
REVENUE	4	2,782,610,697	1,624,833,899
COST OF SALES	5	<u>(2,403,273,176)</u>	<u>(1,425,604,244)</u>
GROSS PROFIT		<b>379,337,521</b>	<b>199,229,655</b>
Other income	6	<u>25,785,865</u>	<u>16,459,260</u>
		<b>405,123,386</b>	<b>215,688,915</b>
<b>OPERATING EXPENSES</b>			
Selling and distribution	7(a)	(41,114,851)	(42,246,529)
General and administration	7(b)	<u>(96,426,925)</u>	<u>(101,140,142)</u>
		<u><b>137,541,776</b></u>	<u><b>143,386,671</b></u>
Operating Profit		<b>267,581,610</b>	<b>72,302,243</b>
Bank interest income		20,169,176	51,892,186
Finance cost	8	<u>(16,941,296)</u>	-
		<b>3,227,880</b>	<b>51,892,186</b>
<b>PROFIT BEFORE TAX</b>		<b>270,809,490</b>	<b>124,194,429</b>
Income tax expense	10(a)	<u>(80,987,587)</u>	<u>(24,469,508)</u>
<b>PROFIT FOR THE YEAR</b>		<u><b>189,821,903</b></u>	<u><b>99,724,921</b></u>



  
 Sharew Tesfome Beharu  
 Purchasing & Finance  
 Managements  
 Directorate Director

**ETHIOPIAN INDUSTRIAL INPUTS DEVELOPMENT ENTERPRISE**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 30 JUNE 2020**

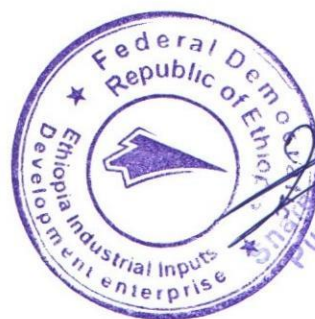
	<b>2020</b>	<b>2019</b>
	<b>Ethiopian Birr</b>	<b>Ethiopian Birr</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the year	189,821,903	99,724,921
Adjustments for		
Prior year profit and loss	-	(27,155,156)
Income tax expense recognized in profit or loss	80,987,587	24,469,508
Finance costs recognized in profit or loss	16,941,296	-
Depreciation of non-current assets	<u>4,626,213</u>	<u>5,896,821</u>
	<b>292,376,999</b>	<b>102,936,094</b>
Movements in working capital		
Decrease /(Increase) in stock	235,977,998	(444,601,024)
(Increase)/ Decrease in debtors	2,473,721,102	(354,470,894)
Increase/ (Decrease) in creditors	<u>(2,953,965,577)</u>	<u>539,072,109</u>
<b>Cash generated from operations</b>	<b>48,110,521</b>	<b>(259,999,810)</b>
Interest paid	(16,941,296)	-
Income taxes paid	<u>(24,469,508)</u>	<u>(13,918,614)</u>
<b>Net cash generated by operating activities</b>	<b><u>6,699,718</u></b>	<b><u>(170,982,329)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(615,343)	(1,917,547)
<b>Net cash used in investing activities</b>	<b><u>(615,343)</u></b>	<b><u>(1,917,547)</u></b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	199,832,319	-
-	-	-
Repayment of borrowings	-	-
<b>Net cash generated from financing activities</b>	<b><u>199,832,319</u></b>	<b><u>-</u></b>
<b>Increase in cash and cash equivalents</b>	<b>205,916,693</b>	<b>(172,899,877)</b>
Cash and cash equivalents at the beginning of the year	2,531,297,505	2,704,197,382
<b>Cash and cash equivalents at the end of the year</b>	<b><u>2,737,214,198</u></b>	<b><u>2,531,297,505</u></b>



**Directorate of Procurement & Finance**  
**Directorate of Procurement & Finance**

**ETHIOPIAN INDUSTRIAL INPUTS DEVELOPMENT ENTERPRISE  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020**

	<u>Capital</u>	<u>Legal Reserve</u>	<u>Loan Redemption reserve</u>	<u>Retained Earning</u>	<u>Total</u>
	Ethiopian Birr	Ethiopian Birr	Ethiopian Birr	Ethiopian Birr	Ethiopian Birr
<b>Balance at 30 June 2018</b>	<u>1,306,042,415</u>	<u>10,000,000</u>	<u>15,167,996</u>	=	<u>1,331,210,411</u>
Prior-year adjustment		8,874,224		-	8,874,224
Profit for the year	-	-	-	99,724,921	99,724,921
<b>Transfers to:</b>					-
Legal reserve		4,986,246		(4,986,246)	-
State dividend	-	-	-	(56,843,205)	(56,843,205)
Industrial Development Fund	-	-	-	(37,895,470)	(37,895,470)
<b>Balance at 30 June 2019</b>	<u>1,306,042,415</u>	<u>23,860,470</u>	<u>15,167,996</u>	=	<u>1,345,070,881</u>
Prior-year adjustment		-		-	-
Profit for the year	-	-		189,821,903	189,821,903
<b>Transfers to:</b>					-
Legal reserve		9,491,095		(9,491,095)	-
State dividend	-	-	-	(108,198,485)	(108,198,485)
Industrial Development Fund	-	-	-	(72,132,323)	(72,132,323)
<b>Balance at 30 June 2020</b>	<u>1,306,042,415</u>	<u>33,351,565</u>	<u>15,167,996</u>	=	<u>1,354,561,976</u>



**Shereheshome Beharu**  
**Management & Finance**  
**Directorate Director**

**ETHIOPIAN INDUSTRIAL INPUTS DEVELOPMENT ENTERPRISE  
NOTES TO THE CONDENSED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**1 EXECUTIVE SUMMARY**

Ethiopian industrial inputs development enterprise was established as an autonomous public enterprise in proclamation No.328/2014 G.C. The Enterprise is governed by Public Enterprises Proclamation No 25/1992. The main objective of the Enterprise is to supply industrial inputs for manufacturing and distribution of domestic and imported fast moving consumer goods.

The Enterprise has its Head Office in Addis Ababa, Ethiopia and Branches throughout the Country.

These Condensed financial statements are audited, but the final audit report is in-progress for issue.

**2 GOING CONCERN**

The financial statements have been prepared on a going concern basis.

**3 BASES OF PREPARATION**

The financial statements have been prepared on a historical cost basis, except for the measurement of impaired assets at their recoverable amounts.

**4 SIGNIFICANT ACCOUNTING POLICIES**

Existing Reporting Framework

These financial statements have been prepared in accordance with Generally Accepted Accounting Principle (GAAP) and in the manner required by the Commercial Code of Ethiopia and other applicable laws.

Reporting framework under Implementation

Pursuant to the requirement of Proclamation 847/2014 for Financial Reporting, the Enterprise is in-progress of adopting International Financial Reporting Standards (IFRSs) as adopted by the International Accounting Standard Board (IASB). Accordingly, these financial statements are under conversion to IFRS and the recognition, measurements, reclassification and derecognition requirements of IFRS will consequently impact the balances, transactions and disclosures of these condensed financial statements. The IFRS financial statements will be made available upon completion.

