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ADDIS INTERNATIONAL BANK S.C.

ANNUAL REPORT

2021/22



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ADDIS INTERNATIONAL BANK S.C.

ቀዳሚ ምርጫ!!
Your Ultimate Choice!!

VISION:

To be the leading
inclusive Bank in Africa



VALUES:

- Innovation
- Service Excellence
- Integrity
- Confidentiality
- Teamwork
- Diligence
- Socially Responsible

MISSION:

To Provide efficient and effective
full-fledged banking services to
all income group of the society by
deploying qualified and motivated
staff and state-of the art banking
technology and thereby optimizing
shareholders' value.

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BOARD OF DIRECTORS



ATO KASSAHUN BEKELE
Board Chairman



W/RO ALMAZ TSEGAYE
Director



ATO ASSEFA GUYA
Director



ATO DAGNEW GESSESSE
Director



DR. DERESSE MERSHA
Director



ATO FANTAHUN BELEW
Director



ATO GETACHEW MANDEFRO
Director



ATO MASRESHA MEKONNEN
Director



ATO MESFIN G/SELASSIE
Director



ATO MULUGETA GEBRU
Director



ATO TESHOME KEBEDE
Director



W/RO TIZITA KETEMA
Director

EXECUTIVE MANAGEMENT



ATO HAILU ALEMU
President



ATO WONDWESSEN ASSEFA
Vice President, Operations



ATO BOGALE KIBRET
Executive Assistant & Board Secretary



ATO GEZU AYELE
Director, Legal Service Dep't



W/RO KOKEB ASHAME
Director, International Banking Dep't



ATO SAHLEMICHAEL MEKONNEN
Director, Branch Operation & E-Banking Dep't



ATO SELESHI MEKONNEN
Director, Accounts & Finance Dep't



ATO SIME G/SELASSIE
Director, HR & Facility Management Dep't



ATO SINTAYEHU GURMU
Director, Credit Dep't



ATO TEKLE WAKJIRA
Director, Corporate Planning & Business Development Dep't



ATO TEWODROS BEZUNEH
Director, Internal Audit Dep't



ATO TSEGA T/YESUS
Director Risk & Compliance Management Dep't

Message from the Board Chairman



Ato Kassahun Bekele, Board Chairman

On behalf of the Board of Directors and myself, I am pleased to present the 11th Annual Report of the Board of Directors of Addis International Bank S.C. (AdIB) for the financial year ended June 30, 2022.

According to the International Monetary Fund recent report, the Ethiopian economy was expected to grow by 3.8 percent for the 2021/22 financial year amid the ongoing challenges of internal conflict, the Covid-19 pandemic impact and the war in Ukraine. Export has performed well and surpassed USD 4.1 billion despite the country's economic difficulties. Export of coffee was the major source of foreign currency, generating over one billion dollars during the year.

The war in the northern part of the country has caused economic damage which will take years to recover. Shortage of foreign currency and widening of current account deficit was among the major challenges. To this effect,

manufacturing companies underutilized their capacity due to lack of foreign exchange to import raw materials. The widening parallel exchange rate and devaluation of Birr contribute to inflationary problems. Due to the government's spending on defense and humanitarian efforts, the government's budget deficit has been growing, which was more than the tax revenue the country could mobilize in the face of decreasing external financing.

The government has taken different measures to boost the country's economic operations, such as the revision of the Commercial Law after 60 years, the decision to open its banking and telecom sectors to foreign investors. The National Bank of Ethiopia made a number of amendments on foreign currency related directives to rationalize the foreign currencies usages. Among the major directives issued by the National Bank of Ethiopia was the surrender of 70 percent of the foreign

currencies which started from January 2022 that significantly impacted the performance of the banking sector.

The Ethiopian banking sector has performed well amidst challenges. According to the National Bank of Ethiopia, a significant number of new banks are entered the market; the number of banks has increased from 19 to 30. Due to the opening of additional 1,600 new branches, the number of branches of the banking industry has increased to 8,944 as of June 30, 2022. As a result, one bank branch serves about 11,516 people. During 2021/22 financial year, the total deposits in the banking system rose to Birr 1.7 trillion grew by 21.8 percent compared to last year. The total capital reached Birr 199.1 billion. At the same time, the total assets of the banking industry rose to Birr 2.4 trillion and its net income reached Birr 49.9 billion as of June 30, 2022.

Addis International Bank (AdIB) has made encouraging progress in realizing the implementation of its five-year strategic plan. As a result, the Bank's volume of operations and profits increased significantly, resulting an all-time high profit before taxes of Birr 472.8 million and Birr 344.9 million profits after taxes. This resulted in earnings per share of 282 birr per one thousand birr share (28.2 percent). The Bank's customer base has continued to grow, and its total capital has reached Birr 2.2 billion, an increase of Birr 550.9 million (34.0 percent) over last year the same period. As at June 30, 2022, the total number of branches reached 112.

The pandemic and war in the northern part of the country contributed for high non-performing loans (NPLs) in the banking industry. Our Bank, however, maintained lower NPL compare to the threshold put by the National Bank of Ethiopia as all necessary measures taken to keep the problem under control and is committed to improve its asset-quality management practices.

The Bank has made several attempts to acquire the lease land in Lideta Sub City from the Addis Ababa City Administration; unfortunately, our efforts have not been successful as the land has not yet been handed over to us. The Bank is still working to speed up the process and remains committed to get the land as soon as possible.

The Bank prepared an action plan to meet the minimum paid up capital requirement of Birr 5.0 billion by June 30, 2026. In this regard, the Board is closely monitoring the implementation of the action plan. I kindly recommend that shareholders to purchase more shares and increase the Bank's capital and bring their deposits in order to take advantage of the Bank's growth and the realization of its expected paid-up capital.

In conclusion, the Board is grateful to the Bank's valued customers and shareholders for their contribution to its success and members of the Board of Directors for their tireless efforts in providing strong leadership. I would also like to thank the National Bank of Ethiopian for its guidance on regulatory issues and external auditors for their professional advice. Above all, I want to specially applaud the management and staff of the Bank for their commitment and dedication. The Bank looks forward to your continued support as it works towards creating better value for its customers, shareholders, and other stakeholders.



Kassahun Bekele

Board Chairman

Message from the President



Ato Hailu Alemu, President

The banking sector has faced a number of challenges in the 2021/22 financial year. The major setbacks were the continued impact of the covid-19 pandemic, the ongoing political instability in the northern part of the country, widening macroeconomic imbalance, shortage of foreign currency, and high inflation. The aggressive branch expansion, investment in human resources and technology by existing banks, and the entrant of additional banks caused fierce competition in the recruitment of skilled human resources, mobilization of resources, and attracting more customers. Despite all these challenges, Addis International Bank S.C. continued to grow and thrive. The Bank will continue to respond to the challenges it faces in its operating environment, maintaining its growth trend and improving its ability to meet future challenges.

The Bank's total assets stood at Birr 10.8 billion as at 30 June 2022, an increase of Birr

1.9 billion (20.4 percent) compared to the same period last year. Similarly, outstanding loans and advances reached Birr 6.1 billion, an increase of 35 percent compared to the previous year. The total deposit of the Bank, including margin held for letters of credit, reached Birr 7.9 billion. It increased by 19.3 percent compared to the same period of last year. The paid-up capital and total capital also reached Birr 1.4 billion and Birr 2.2 billion showing growth of 30.3 percent and 34 percent, respectively. The Bank's profit before tax was Birr 472.8 million during the financial year 2021/22, showing an increment of Birr 104.0 million (28.2 percent) compared to the same period of last year.

The Bank opened 21 additional branches during the financial year 2021/22, bringing the total number of branches to 112. Ten of these branches are in Addis Ababa, and eleven are in regional towns. The Bank's new Core Banking Solution will go live in the first quarter in the

coming financial year to further improve its service delivery and implementation of digital banking solutions will follow soon.

In 2021/22 financial year, the Bank delivered a range of training programs to its staff to help them improve their technical, managerial and professional skills at all levels. During the review period, the staff strength reached 1060 employees, including 976 permanent employees and 84 contract employees. It increased by 187 employees, compared to last year same period.

I would like to thank the Board of Directors for their guidance and leadership, and for creating an enabling environment for the Management to carry out its day-to-day banking activities. I am grateful to the Management and all the staff who have helped the Bank achieve such a successful performance. I would also like to thank the Bank's customers for their unwavering trust

and encouragement, which has been the foundation of our Bank success over the past decade. I believe management and staff will continue to achieve better results as a team to ensure solid and consistent results over the next period.

Finally, I would like to thank the National Bank of Ethiopia, banks and insurance companies, correspondent banks, and all other stakeholders for their guidance and support during this process. I am looking forward to strengthening the business relationships we have built together over the past eleven years.



Hailu Alemu

President

DIRECTORS' REPORT

The Board of Directors of Addis International Bank S.C is pleased to present the annual report for the financial year ended June 30, 2022, to the shareholders. The report is divided into two parts: Highlights of the major performance of the Bank and the External Auditor Report.

1. OPERATIONAL PERFORMANCE

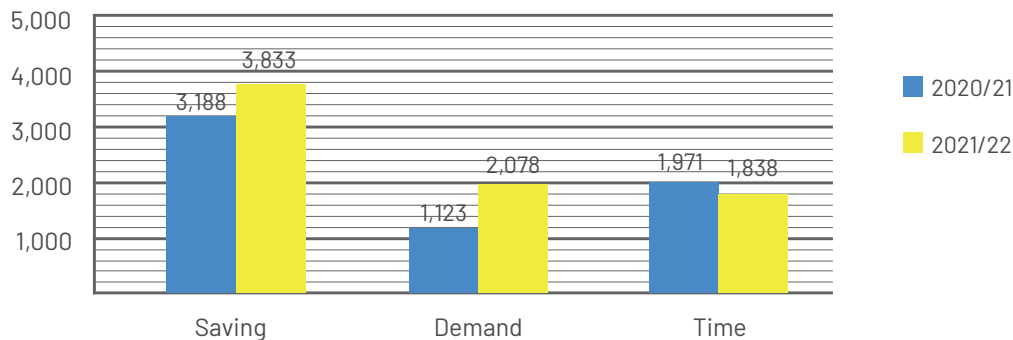
In 2021/22 financial year, a number of global and domestic challenges have impacted the economy. Political instability in the country, high inflation, shortage of foreign currency, the war in Ukraine and the Covid-19 pandemic were all major factors that affected the banking industry. Addis International Bank S.C was not an exception as it had to pass through the same challenging environment. Despite this, the Bank registered remarkable achievements in all its operational areas.

1.1. DEPOSIT MOBILIZATION

The Bank's total deposits, including margins held on letters of credit, reached Birr 7.9 billion as of June 30, 2022. This was higher by 19.3 percent from last year the same period owing to growth in all types of deposits, except time deposits and margin-held accounts.

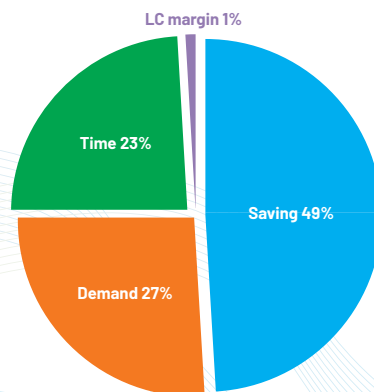
Category wise, the highest growth in deposits was registered in demand deposits, with an increase of Birr 955 million (85.1 percent). This was followed by saving deposits with growth of Birr 645 million (20.2 percent). The growth of the deposits can be partially attributed to the aggressive branch expansion and the diversification of products and services that the Bank undertook. The number of deposit account holders reached 366,299 by the end of June 2022, depicting an increase of 86,226 (31 percent).

Figure 1: Growth in Deposits by type (in millions of Birr)



Out of the total deposits, saving deposit accounted for 49 percent, followed by demand deposit and time deposit at 27 percent, 23 percent respectively and the remaining 1 percent contributed by LC margin.

Figure 2- Composition of Deposits



1.2. LOANS AND ADVANCES

The Bank's total outstanding loans and advances reached Birr 6.1 billion at the end of 2021/22 financial year, an increase of Birr 1.6 billion (35.2 percent) from the balance of Birr 4.5 billion of the previous year. Loans and advances allocated to the domestic trade and

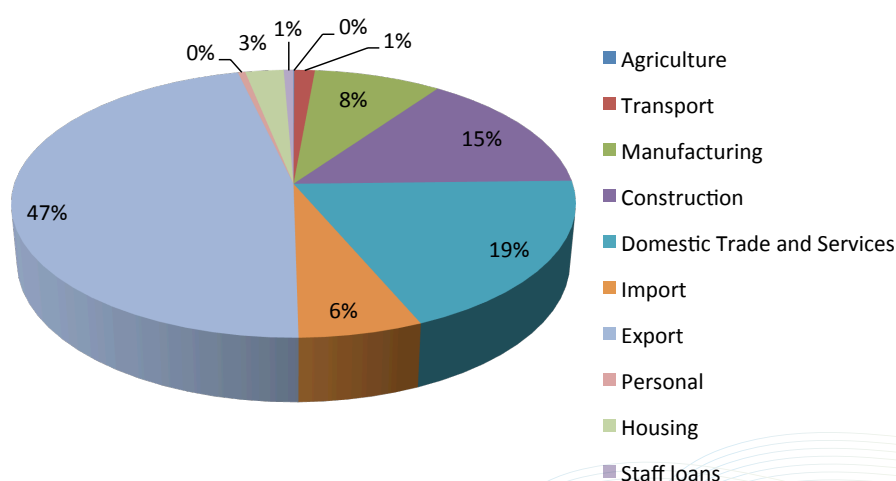
services grew by Birr 510 million (55 percent), followed by export and import trade Birr 355 million (19 percent) and Birr 292 million (99.6 percent) respectively. The loan-to-deposit ratio also reached 79 percent.

Table 1: Growth in Loans and Advances by Economic Sector (in millions of Birr)

Economic Sector	June 30,2022	June 30,2021	Growth (%)
Agriculture	3.1	4.9	(36.7)
Transport	83.3	29.5	182.4
Manufacturing	516.2	543.4	(5.0)
Domestic Trade & Service	1161.3	919.6	26.3
Export	2854.5	1849.8	54.3
Import	379.3	292.6	29.6
Construction	906.0	726.4	24.7
personal	29.4	19.4	51.5
Housing	155.8	118.3	31.7
Staff Loan	39.6	29.2	35.6
Total	6,128.5	4,533.1	35.2

As shown in figure 3 below, out of the total outstanding loans and advances, 47 percent went to the export sector, 19 percent to domestic trade and services, 15 percent to construction, 8 percent to manufacturing, and 6 percent to the import sector. Housing, agriculture, transport, personal and staff loans made up the rest.

Figure 3: Sectoral Classification of Loans and Advances



During the reviewed period, the Bank was able to maintain the ratio of non-performing loans to total principal outstanding loans and advances at 3.2 percent which was below the National Bank threshold of five percent.

1.3. INTERNATIONAL BANKING OPERATION

Foreign currency mobilized through international banking operations is a major source of income for the Bank. To this effect, the Bank continued to pay special attention to increase its foreign currency resources. During the financial year, income from international banking operations reached Birr 539.4 million, showing an increase of Birr 155.5 million (40.5 percent) compared to last year same period.

With respect to sources, foreign currency mobilized from exports and cash purchases through the forex bureaus increased, while

foreign currency generation from remittances, and incoming transfers decreased compared to last year. This was due to the continued effect of the COVID-19 pandemic, slowdown of the global economy and the widening parallel market exchange rate.

Moreover, the Bank has maintained its correspondent banking relationships with ten reputable foreign banks, and eight money transfer agents: - Western Union, Money Gram, Dahabshiil, Trans-Fast, Ria, X-PRES Money, World Remit and Exchange4Free.

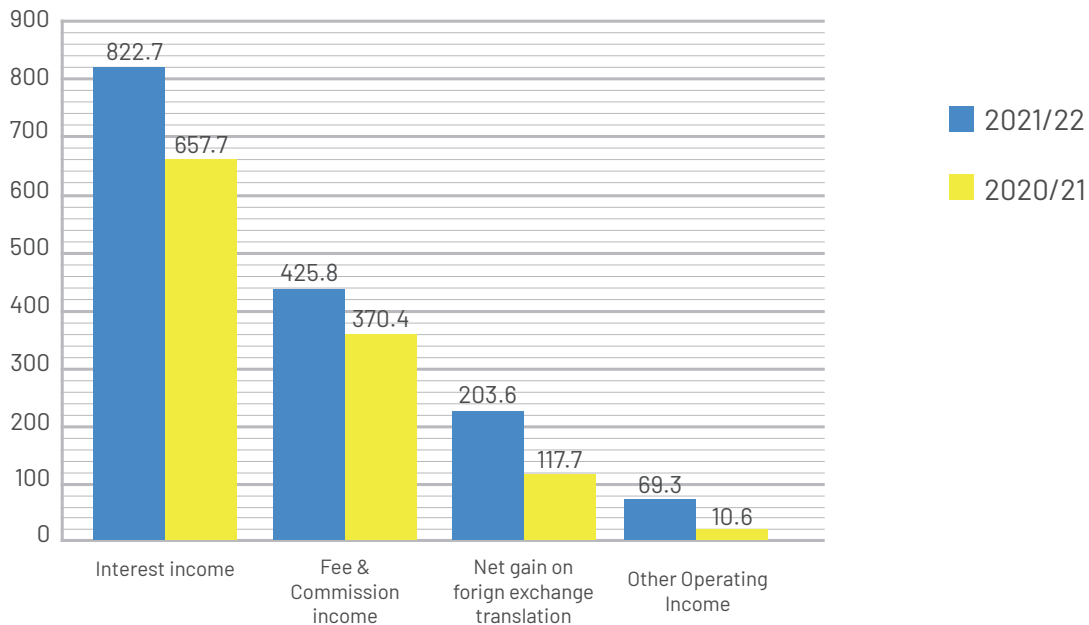


2. FINANCIAL PERFORMANCE

2.1. INCOME

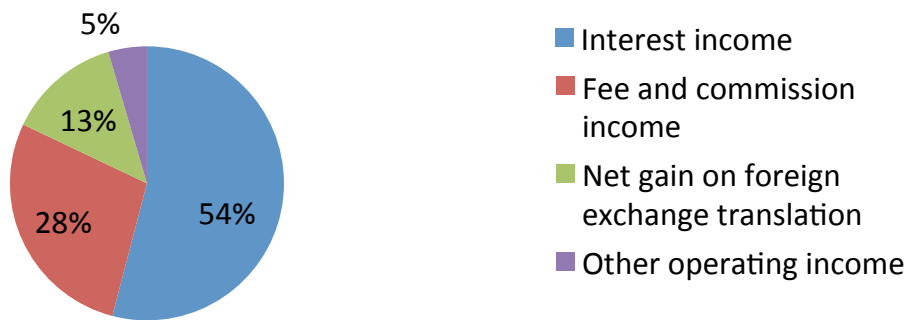
The Bank's total income reached Birr 1.5 billion at the end of June 2022, an increase of Birr 365.0 million (32 percent) compared to last year same period. This was due to an increase in all sources of the Bank's income.

Figure 4: Growth of income by type (in millions of birr)



In terms of sources, interest earned accounted for 54 percent of the total income, while commissions and fee contributed 28 percent. The remaining income was earned from gains on foreign currency transactions and other incomes. The chart below shows the distribution of the Bank’s income by sources.

Figure 5: Composition of Income by Category



2.2. EXPENSE

The aggregate expense of the Bank during the financial year under review reached Birr 1.05 billion, an increase of Birr 261.0 million (33.1percent) compared to last year same period. In terms of types of expenses, the largest share went to interest expenses (40.4 percent), followed by employee salaries and benefits expenses (29.9 percent), general and administrative expenses (27.4 percent), and depreciation and amortization expenses (2.3 percent). Increase in the number of branches and mounting office rent were major contributors to the increase in expenses.

Figure 6: Expense by Type 2021/22 (in millions of Birr)

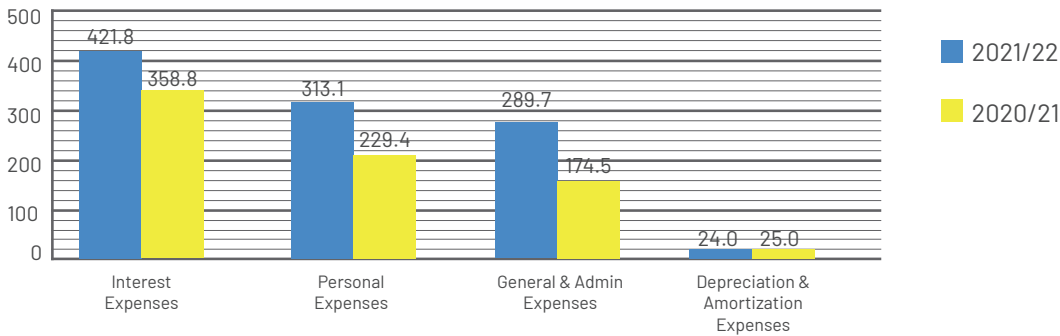
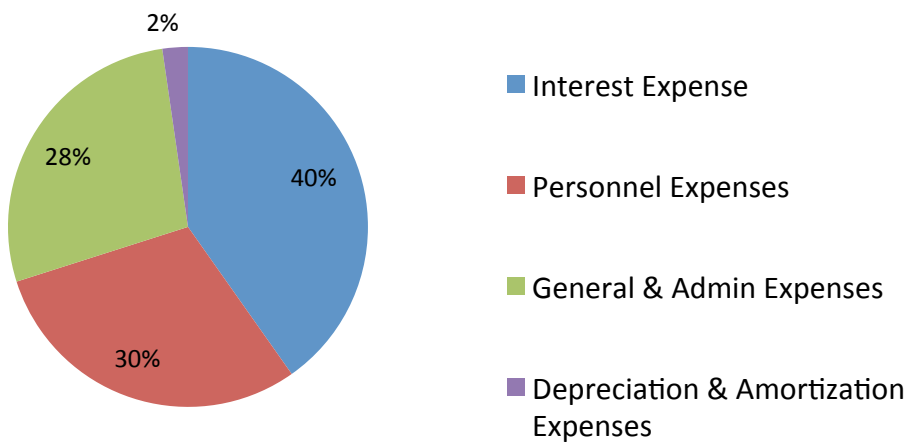


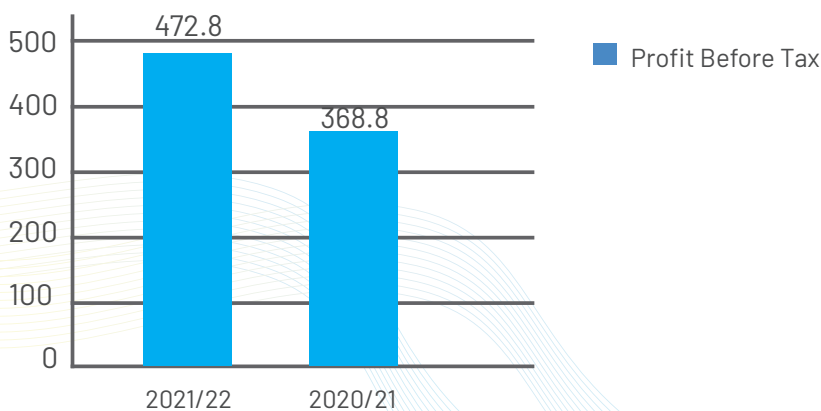
Figure 7: Composition of Expense by Type



2.3. PROFIT

The Bank achieved a remarkable profit before tax of Birr 472.8 million. It surpassed last year same period performance by Birr 104.0 million (28.2 percent). Similarly, net profit after tax of Birr 344.9 million was recorded, showing an increase of Birr 73.6 million (27.1 percent) compared to the preceding financial year. The Bank's encouraging results was due to an increase in its income and prudent management of expenses at a reasonable level during the reviewed period.

Figure 8: Profit before tax (in millions of Birr)



As a result, the Bank's returns on assets (ROA) and return on equity (ROE) were 3.51 percent and 18.2 percent, respectively, which were similar to the preceding financial year. The Bank's earnings per share (EPS) rose to 28.2 percent, surpassed last year 25 percent. The result achieved demonstrates the Bank's uninterrupted track record of profitability and continued growth.

2.4. ASSET

The Bank's total assets reached Birr 10.8 billion by the end of 2021/22 financial year, a growth of Birr 1.9 billion (21.3 percent) was registered compared to the previous year balance of Birr 8.9 billion. Net loans and advances accounted

for 55.9 percent of the Bank's assets, followed by liquid assets 20.7 percent and investment in securities 8.4 percent.

2.5. CAPITAL

The Bank's total capital, including legal reserve, reached Birr 2.2 billion at the end of the financial year, registering an increase of Birr 550.9 million (34 percent) compared to last year same period. Similarly, its paid-up capital reached Birr 1.4 billion, showing an increase of Birr 336.0 million (30.3 percent) compared to last year same period. The number of shareholders reached 14,077 as at June 30, 2022.

Table 2: Composition of Capital in millions of Birr

Description	As At June 30,2022	As at June 30,2021	Growth in %
Total capital	2173.1	1,622.3	34.0
Paid up Capital	1,443.5	1,107.5	30.3
Number of Shareholders	14,077	13,064	7.8

3. HUMAN RESOURCE DEVELOPMENT

As of June 30, 2022, the total number of employees of the Bank was 1060, of which 976 were permanent employees and the remaining 84 were contract employees. During the reporting period, the Bank's total number of employees grew by 187, compared to last year 789 employees. During the period under review, an additional 309 employees joined the Bank, while 117 employees left due to better opportunities and personal reasons. Moreover, the Bank utilized Birr 9.4 million for training of 2,939 participants.

4. INFORMATION TECHNOLOGY DEVELOPMENT

The Bank has continued to improve its information technology systems to support its business operations. In this regard, during the year under review, the Bank has completed the process of replacing its existing systems with new core banking solutions to cope up with the dynamic market conditions. The new core

banking solution parameterization, product walkthrough, user acceptance testing, and user training were all completed successfully. In addition, the technical and financial evaluations of the digital banking (mobile, internet, and agent banking) solution, SIEM (Security Information and Event Management) implementation, and upgrading of the branch network to fiber network has been fully undertaken. Moreover, the integration of online document verification system was completed.

5. BRANCH EXPANSION

The Bank opened 21 additional branches in the financial year 2021/22; increasing the total number of its branches to 112. Out of these additional branches, ten were opened in Addis Ababa, and eleven were in the regional towns. The branches opened in Addis Ababa were: Wuhalimat, Bisrate Gebriel, Bulbula, Tekele Haimanot, Gotera, Lemhaya Hulet, Gofa, Kality Gebriel, Karalo and Balderas. While kombolcha, Wolkite, AbayMado, Boset, Sebeta, Arerti, Tebassie, Modjo, Hawssa Menharia,

Zenbaba and Bure branches were opened in regional towns.

6. THE WAY FORWARD

The financial sector will be more competitive in the coming years due to new entrant of a large number of local banks and opening up for foreign banks. To this effect, the Bank will increase its capital base by selling additional shares to its existing shareholders and to the public to comply with regulatory requirement. Resource mobilization will be one of the major tasks of the Bank during the next financial year.

The Bank will fully implement the new core banking and digital banking and other information technology systems in the pipeline. It will continue to focus on maintaining high service quality to retain its existing customers and attract new ones.

There is a need to assess the organizational structure of the Bank and implement different human resource initiatives to augment its growth. In the coming year, the Bank will continue to expand its branch network in line with its strategic plan. It will also exert every effort to finalize the work in process of acquiring land for its headquarter building from the Addis Ababa City Administration.

7. RECOMMENDATION ON THE APPROPRIATION OF PROFIT

The Board of Directors of the Bank recommends to the General Assembly of Shareholders that Birr 344.9 million net profits after tax be paid as dividend to shareholders, after deductions of legal reserve and other allowances. The Board of Directors also requests the Bank's esteemed shareholders to plough back their dividends by purchasing additional shares to strengthen the capital of the Bank and comply with the regulatory requirement.

8. VOTE OF THANKS

The Board of Directors of the Bank would like to extend its appreciation to the esteemed shareholders of the Bank, customers, the National Bank of Ethiopia, the management and employees for their contribution to the success achieved by the Bank during the 2021/22 financial year.



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ADDIS INTERNATIONAL BANK S.C.

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Your Ultimate Choice!!

TEL: +251 115 549 774/ +251 115 570 526



AUDITORS'

R E P O R T

ADDIS INTERNATIONAL BANK SHARE COMPANY

Directors, professional advisers and registered office

For the year ended 30 June 2022

Directors (as of June 30, 2022)

Ato Kassahun Bekele	Chairman	Dec 03,2016
W/ro Almaz Tsegaye	Non-Executive Director	May 29,2017
Ato Assefa Guya	Non-Executive Director	May 29,2017
Ato Getachew Mandefro	Non-Executive Director	May 29,2017
Ato Masresha Mekonnen	Non-Executive Director	May 29,2017
Ato Mulugeta Gebru	Non-Executive Director	May 29,2017
W/ro Tizita Ketema	Non-Executive Director	May 29,2017
Ato Fantahun Belew	Non-Executive Director	Nov 11,2019
Ato Mesfin G/Selassie	Non-Executive Director	Nov 11,2019
Ato Teshome Kebede	Non-Executive Director	Nov 11,2019
Dr. Deresse Mersha	Non-Executive Director	Nov 11,2019
Ato Dagnew Gessesse	Non-Executive Director	Nov 11,2019

Executive management (as of June 30, 2022)

Ato Hailu Alemu	President	Oct 11,2010
Ato Wondwessen Assefa	Vice President Operation	Nov 22,2018
Ato Bogale Kibret	Executive Assistant and Board Secretary	Oct 25,2013
Ato Tekle Wakjira	Director, Corporate Planning and Business Dev't	Sep 01,2015
Ato Assefa Amere	A/Chief Information Officer (A/CIO)	Sep 30,2021
W/ro Kokeb Ashame	Director, International Banking	Dec 04,2010
Ato Seleshi Mekonnen	Director, Accounts and Finance	Dec 11,2010
Ato Sime G/selassie	Director, HR & Facility Management	Jan 14,2011
Ato Sintayehu Gurumu	Director, Credit Dept't	April 16,2019
Ato Sahlemicheal Mekonnen	Director, Branch Operation and E- Banking	Feb 18,2019
Ato Tewodros Bezuneh	Director, Internal Audit	Jan 29,2020
Ato Tsega T/ Yesus	Director, Risk & Compliance Management	Feb 08,2011
Ato Gezu Ayele	Director, Legal Service	Feb 15,2018

Independent auditor

TAY Authorized Accountants and Auditors
Addis Ababa
Ethiopia

Corporate office

Zequala Complex Building
Jomo Kenyatta Street,
Addis Ababa,
Ethiopia

Company secretary

Ato Bogale Kibret
Zequala Complex Building
Jomo Kenyatta Street,
Addis Ababa,
Ethiopia

Principal bankers

Mashreq Bank PSC
EBI SA Groupe Ecobank
Bank of Beirut S.A.L
Bank of Africa Mer Rouge
KCB Bank Kenya Limited
Banca Popolare Di Sondrio
CAC International Bank
Bank of Beruit (UK) LTD
ODDO Bank



ADDIS INTERNATIONAL BANK SHARE COMPANY

Report of the directors

For the year ended 30 June 2022

The directors submit their report together with the financial statements for the period ended 30 June 2022, to the members of Addis International Bank Share Company ("Addis bank or the Bank"). This report discloses the financial performance and state of affairs of the Bank.

Incorporation and address

Addis International Bank Share Company was incorporated in Ethiopia in 2011 as a Share Company. The Bank was established by diversified groups of shareholders, Cooperatives, Micro Finance Institutions (MFIs), Iddirs, other business organisations and individual citizens. The majority shareholders are mainly low and middle income citizens.

Principal activities

The principal activities of the Bank is to provide financial services to international trade businesses, manufacturing and services.

Results and dividends

The Bank's results for the year ended 30 June 2022 are set out on page 26. The profit for the year has been transferred to retained earnings. The summarised results are presented below.

	30 June 2022 Birr'000	30 June 2021 Birr'000
Total Operating Income	1,093,700	790,641
Profit before income tax	472,845	368,812
Income tax expense	(127,986)	(97,574)
Profit for the year	344,859	271,238
Other comprehensive income/(loss) net of taxes	72,596	(1,471)
Total comprehensive income/(loss) for the year	417,456	269,767
Earnings per share	28.24	24.99



Directors

The directors who held office during the year and to the date of this report are set out on page 19.

Ato Bogale Kibret
Executive Assistant and Board Secretary
Addis Ababa, Ethiopia



ADDIS INTERNATIONAL BANK SHARE COMPANY

Statement of directors' responsibilities

For the year ended 30 June 2022

In accordance with the Banking Business Proclamation No. 592/2008, the National Bank of Ethiopia (NBE) may direct the Bank to prepare financial statements in accordance with international financial statements Reporting standards, whether their designation changes or they are replaced, from time to time.

The Bank's president is responsible for the preparation and fair presentation of these financial statements in conformity with accounting principles generally accepted in Ethiopia and in the manner required by FDRE Commercial Code of Ethiopia of 2013 E.C., and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank is required keep such records as are necessary to:

- exhibit clearly and correctly the state of its affairs;
- explain its transactions and financial position; and
- enable the National Bank of Ethiopia to determine whether the Bank had complied with the provisions of the Banking Business Proclamation and regulations and directives issued for the

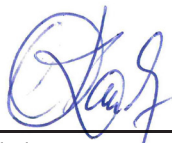
The Bank's president accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards, Banking Business Proclamation, FDRE Commercial code of 2013 E.C. and the relevant Directives issued by the National Bank of Ethiopia.

The president is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its profit or loss.

The president 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 president to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.

Signed on behalf of the Directors by:



Kassahun Bekele
Chairman of Board of Directors




Hailu Alemu
President



Approved and Signed on this date of 30 September 2022





TAY
 Authorized Accountants and Auditors
 ቲ.ኤ.ዋ.ዩ. የተፈቀደላቸው የሂሳብ አዋቂዎች እና አዲተሮች

INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF ADDIS INTERNATIONAL BANK S.C.

TO - THE SHAREHOLDERS OF ADDIS INTERNATIONAL BANK S.C.

Opinion

We have audited the financial statements of Addis International Bank S.C., which comprise the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows and the notes to the financial statements for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly in all material respects, the financial position of Addis International Bank S.C. as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

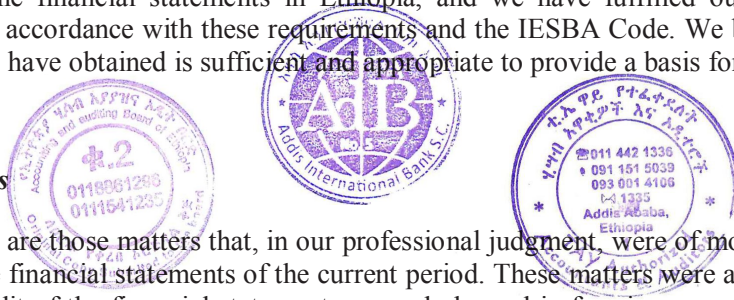
We have no comments to make on the report of the Board of directors of the bank in so far as it relates to these financial statements, pursuant to Proclamation No. 1243/2021 Article 348 of the Commercial Code of Ethiopia, and recommend the approval of the accompanied financial statements by the shareholders of Addis International Bank S.C.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Ethiopia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



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 Fax (011) 442 1338 - e-mail: info@tayauditing.com - www.tayauditing.com - P.O. Box 1335 - Addis Ababa, Ethiopia

Information Other than the Financial Statements and Auditor’s Report Thereon

Proclamation No. 1243/2021 of the Commercial Code of Ethiopia, Articles 348 and 349 requires us to submit to the general meeting our written comments on the report of the board of directors.

Those charged with governance of the bank are responsible for the report of the board of directors, which comprises financial and non-financial performance of the bank for the period, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the directors’ report and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the directors’ report identified above and, in doing so, consider whether the report is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We have obtained the directors’ report before the date of this auditor’s report.

If, based on the work we have performed on the directors’ report, we conclude that there is a material misstatement of this report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and those Charged with Governance for the Financial Statements

Those charged with governance of the bank are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of the Company’s report that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance of the bank are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the company’s report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually



or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statement of the current period and are therefore, the key audit matters. We describe these, matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other legal and regulatory requirements

Proclamation No. 1243/2021 of the Commercial Code of Ethiopia, Article 349, No. 3 requires us to comment on the proposal for distribution of profits submitted by the directors of the bank.

The board of directors of the bank in its report has proposed a total of birr 344.9 million to be distributed to shareholders as dividends.

We have no reservation on the proposal so long as this amount does not exceed the net profit after tax and legal reserve for the period.

The engagement partner on the audit resulting in this independent auditor's report is Mr Tesfa Tadesse, MSc, FCCA.

TAX Authorized
Accountants & Auditors

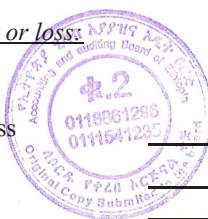


Addis Ababa
29 September 2022

ADDIS INTERNATIONAL BANK SHARE COMPANY*Statement of profit or loss and other comprehensive income**For the year ended 30 June 2022*

	Notes	30 June 2022 Birr'000	30 June 2021 Birr'000
Interest income	5	822,682	657,723
Interest expense	6	(421,758)	(358,765)
Net interest income		400,924	298,958
Fee and commission income	7	425,833	370,444
Fee and commission expense	7	(5,956)	(7,005)
Net fees and commission income		419,877	363,439
Net gain on foreign exchange translation	10	203,622	117,662
Other operating income	8	69,276	10,583
Total operating income		1,093,700	790,641
Loan impairment charge	9	(62,121)	(8,302)
Other impairment charges	9	(128)	(9,045)
Net operating income		1,031,451	773,294
Personnel expenses	11	(313,104)	(229,423)
Interest expense on Lease Liability		(2,117)	(4,075)
Amortisation of intangible assets	18	(2,699)	(2,603)
Depreciation of investment property	19	(42)	(42)
Depreciation of property, plant and equipment	20	(21,234)	(22,317)
Other operating expenses	12	(217,698)	(144,358)
Audit fees		(353)	(266)
Directors emolument		(1,360)	(1,400)
Profit before income tax		472,845	368,812
Income tax expense	13	(127,986)	(97,574)
Profit for the year		344,859	271,238
Other comprehensive income (OCI) net on income tax	23		
<i>Items that will not be subsequently reclassified into profit or loss:</i>			
Remeasurement loss on defined benefits obligations		(2,638)	(3,544)
Gain/ Loss on revaluation of Equity investments		106,347	1,442
Deferred tax (liability)/asset on remeasurement gain or loss		(31,113)	631
		72,596	(1,471)
Total comprehensive income for the period		417,456	269,767
Basic & diluted earnings per share of 1000 par value (%)	26	28.24	24.99

The notes are an integral part of these financial statements.



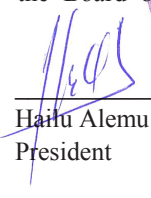
ADDIS INTERNATIONAL BANK SHARE COMPANY*Statement of financial position**For the year ended 30 June 2022*

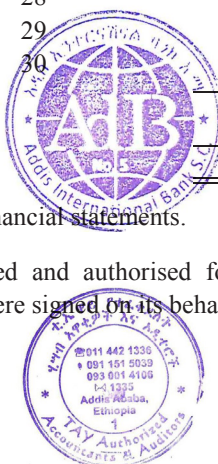
	Notes	2022 Birr'000	2021 Birr'000
ASSETS			
Cash and bank balances	14	2,234,709	1,855,654
Loans and advances to customers	15	6,026,104	4,492,957
Investment securities:			
- Investment in Equity held through OC	16a	195,500	59,782
- Investment in security designated at a	16a	705,929	862,456
Other assets	17	1,253,278	1,301,496
Intangible assets	18	85,373	5,547
Investment property	19	1,801	1,843
Property, plant and equipment	20	198,836	121,711
Deferred tax assets	13	-	-
Non-current asset held for sale - Cost	16b	86,774	171,755
Total assets		10,788,305	8,873,202
LIABILITIES			
Deposits from customers	21	7,749,071	6,281,414
Other liabilities	22	644,710	818,787
Defined benefit obligation	23	23,646	16,912
Provisions	24	25,907	23,901
Current income tax liabilities	13	128,793	97,199
Deferred income tax liabilities	13	43,033	12,728
Total liabilities		8,615,160	7,250,940
EQUITY			
Share capital	25	1,443,544	1,107,529
Share premium	25	-	-
Retained earnings	27	266,274	193,796
Other comprehensive income	28	91,214	18,617
Legal reserve	29	354,205	267,990
Regulatory risk reserve	30	17,909	34,329
Total equity		2,173,145	1,622,262
Total equity and liabilities		10,788,305	8,873,202

The notes are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on September 30, 2022 and were signed on its behalf by:


Kassahun Bekele
Chairman of Board of Directors


Hailu Alemu
President



ADDIS INTERNATIONAL BANK SHARE COMPANY

Statement of changes in equity

For the year ended 30 June 2022

	Note	Share capital Birr'000	Share premium Birr'000	Retained earnings Birr'000	Other compreh ensive income Birr'000	Legal reserve Birr'000	Regulato ry risk reserve Birr'000	Total Birr'000
As at 30 June 2021		1,107,529	-	193,796	18,617	267,990	34,329	1,622,261
As at 1 July 2021		1,107,529	-	193,796	18,617	267,990	34,329	1,622,261
Prior period adjustment				(8,791)				
Additional shares issued		336,015	-	-		-		336,015
Amount capitalised		-	-	-		-		-
Shares held for resale				-		-		-
Profit for the year	27			344,859				344,859
Other comprehensive								-
Re-measurement gain/loss (net of tax)	23		-	-	72,596	-		72,596
Total comprehensive income for the year		-	-	336,068	72,596	-	-	408,665
Transfer to legal reserve	29			(86,215)		86,215		-
Transfer to regulatory risk reserve	30			16,421			(16,421)	-
Dividend paid				(193,796)				(193,796)
As at 30 June 2022		1,443,544	-	266,274	91,214	354,205	17,909	2,173,145

The notes are an integral part of these financial statements.



ADDIS INTERNATIONAL BANK SHARE COMPANY*Statement of cash flows**For the year ended 30 June 2022*

	Notes	30 June 2022 Birr'000	30 June 2021 Birr'000
Cash flows from operating activities			
Cash generated from operations	31	(4,591)	178,669
Interest received		802,061	657,755
Interest paid		(421,758)	(358,765)
Benefit paid		(823)	(507)
Tax paid		(97,199)	(61,815)
Net cash inflow from operating activities		277,690	415,336
Cash flows from investing activities			
Purchase of investment securities	16a	177,158	(32)
Purchase of intangible assets	18	(82,512)	(82)
Purchase of investment equity		(29,371)	(1,501)
Purchase of property, plant and equipment	20	(97,321)	(36,555)
Net cash outflow from investing activities		(32,046)	(38,170)
Cash flows from financing activities			
Balance held with NBE	14	(210,000)	(83,000)
Proceeds from issues of shares	25	336,015	141,154
Dividend paid		(202,587)	(145,186)
Net cash inflow from financing activities		(76,572)	(87,032)
Net increase in cash and cash equivalents		169,072	290,134
Cash and cash equivalents at the beginning of the year	14	1,535,729	1,245,595
Foreign exchange (losses)/ gains on cash and cash		-	-
Cash and cash equivalents at the end of the year	14	1,704,801	1,535,729

The notes are an integral part of these financial statements.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

1 General information

Addis International Bank SC ("Addis Bank or the Bank") is a private commercial Bank domiciled in Ethiopia. The Bank was established on 31, January 2011 in accordance with the provisions of FDRE Commercial code of Ethiopia of 2013 E.C. and the Licensing and Supervision of Banking Business Proclamation No. 84/1994. The Bank registered office is at:

Zequala Complex Building
Jomo Kenyatta Street,
Addis Ababa,
Ethiopia

The Bank is principally engaged in the provision of diverse range of financial products and services to a wholesale, retail and SME clients base in Ethiopian Market.

2 Summary of significant accounting policies

2.1 Introduction to summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Basis of preparation

The financial statements for the year ended 30 June 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Additional information required by National regulations is included where appropriate.

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

The financial statements have been prepared in accordance with the going concern principle under the historical cost concept.

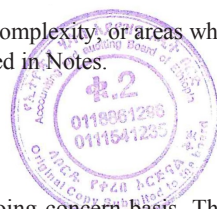
All values are rounded to the nearest thousand, except when otherwise indicated. The financial statements are presented in thousands of Ethiopian Birr (Birr' 000).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Bank's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Bank's financial statements therefore present the financial position and results fairly.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Notes.

2.2.1 Going concern

The financial statements have been prepared on a going concern basis. The management have no doubt that the Bank would remain in existence after 12 months.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

2.2.2 Changes in accounting policies and disclosures

a. *New Standards, amendments, interpretations issued but not yet effective.*

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 30 June 2021, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Bank, except the following set out below:

b. **Changes in accounting policies**

IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The requirements of IFRS 9 represent a significant change from IAS 39. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities.

As a result of the adoption of IFRS 9, the Bank has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require separate presentation in the statement of profit or loss and OCI of interest revenue calculated using the effective interest method. Previously, the Bank disclosed this amount in the notes to the financial statements.

Additionally, the Bank has adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures that are applied to disclosures about 2018, but have not been applied to the comparative information.

The key changes to the Bank's accounting policies resulting from its adoption of IFRS 9 are summarised below. The full impact of adopting the standard is set out in Notes.

2.3 Financial assets and financial liabilities

2.3.1 *Policy applicable from 1 July 2018*

a. *Recognition and initial measurement*

The Bank shall initially recognise loans and advances, deposits, debt securities issued and subordinated liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) shall be recognised on the trade date, which is the date on which the Bank becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability shall be measured initially at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

b. Classification and subsequent measurement

i) Financial assets

On initial recognition, a financial asset shall be classified either as measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

The Bank shall measure a financial asset at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI).

A debt instrument shall be measured at FVOCI only if it meets both of the following conditions and is not designated at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition, an equity investment that is held for trading shall be classified at FVTPL. However, for equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

All other financial assets that do not meet the classification criteria at amortised cost or FVOCI, above, shall be classified as measured at FVTPL.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Bank shall make an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis shall be measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Financial assets shall not be reclassified subsequent to their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ shall be defined as the fair value of the financial asset on initial recognition. ‘Interest’ shall be defined as the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank’s claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

ii) *Financial liabilities*

The Bank shall classify its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or FVTPL.

A financial guarantee is an undertaking/commitment that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified party fails to meet its obligation when due in accordance with the contractual terms.

Financial guarantees issued by the Bank are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of: the amount of the obligation under the guarantee, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

c Impairment

At each reporting date, the Bank shall assess whether there is objective evidence that financial assets (except equity investments), other than those carried at FVTPL, are impaired.

The Bank shall recognise loss allowances for expected credit losses (ECL) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss shall be recognised on equity investments.

The Bank shall measure loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables shall always be measured at an amount equal to lifetime ECL.

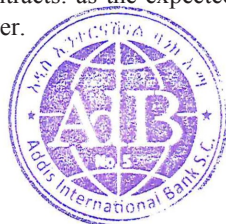
12-month ECL is the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL is the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

i) Measurement of ECL

ECL is a probability-weighted estimate of credit losses. It shall be measured as follows:

- for financial assets that are not credit-impaired at the reporting date (stage 1 and 2): as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Bank in accordance with the contract and the cash flows that the Bank expects to receive);
- for financial assets that are credit-impaired at the reporting date (stage 3): as the difference between the gross carrying amount and the present value of estimated future cash flows;
- for undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- for financial guarantee contracts: as the expected payments to reimburse the holder less any amounts that the Bank expects to recover.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

ii) *Restructured financial assets*

Where the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then the Bank shall assess whether the financial asset should be derecognised and ECL are measured as follows:

— If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset

— If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

iii) *Credit-impaired financial assets*

At each reporting date, the Bank shall assess whether financial assets carried at amortised cost, debt financial assets carried at FVOCI, and finance lease receivables are credit impaired (referred to as ‘Stage 3 financial assets’).

A financial asset shall be considered ‘credit impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower’s condition shall be considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more shall be considered credit-impaired even when the regulatory definition of default is different.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

iv) Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL shall be presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- for debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance shall be disclosed and is recognised in the fair value reserve.

v) Write-off

Loans and debt securities shall be written off (either partially or in full) when there is no reasonable expectation of recovering the amount in its entirety or a portion thereof. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment shall be carried out at the individual asset level.

Recoveries of amounts previously written off shall be included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

vi) Non-integral financial guarantee contracts

The Bank shall assess whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately.

Where the Bank determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset shall be treated as a transaction cost of acquiring it. The Bank shall consider the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

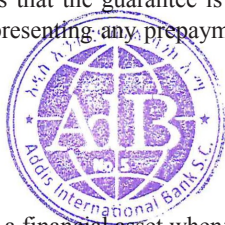
Where the Bank determines that the guarantee is not an integral element of the debt instrument, then it shall recognise an asset representing any prepayment of guarantee premium and a right to compensation for credit losses.

d. Derecognition

i) Financial assets

The Bank shall derecognise a financial asset when:

- The contractual right to the cash flows from the financial asset expires, or
- It transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI shall be recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVOCI shall not be recognised in profit or loss on derecognition of such securities.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank shall be recognised as a separate asset or liability.

ii) *Financial liabilities*

The Bank shall derecognise a financial liability when its contractual obligations are discharged or cancelled, or expire.

e. *Modifications of financial assets and financial liabilities*

i) *Financial assets*

If the terms of a financial asset are modified, then the Bank shall evaluate whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset shall be deemed to have expired. In this case, the original financial asset shall be derecognised and a new financial asset shall be recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification shall be accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs shall be included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms.

If the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it shall first consider whether a portion of the asset should be written off before the modification takes place.

Where the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Bank shall first recalculate the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and shall be amortised over the remaining term of the modified financial asset.

Where such a modification is carried out because of financial difficulties of the borrower, then the gain or loss shall be presented together with impairment losses. In other cases, it shall be presented as interest income calculated using the effective interest rate method.

ii) *Financial liabilities*

The Bank shall derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms shall be recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. Consideration paid shall include non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

Where the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability shall be recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

f. Offsetting

Financial assets and financial liabilities shall be offset and the net amount presented in the statement of financial position when, and only when, the Bank currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses shall be presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

g. Designation at fair value through profit or loss

i) Financial assets

At initial recognition, the Bank may designate certain financial assets as at FVTPL because this designation eliminates or significantly reduces an accounting mismatch, which would otherwise arise.

ii) Financial liabilities

The Bank shall designate certain financial liabilities as at FVTPL in either of the following circumstances:

- the liabilities are managed, evaluated and reported internally on a fair value basis; or
- the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2.4 Net interest income

2.4.1 IFRS 12

a. Effective interest rate and amortised cost

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability

b. Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

c. Calculation of interest income and expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

d. Presentation

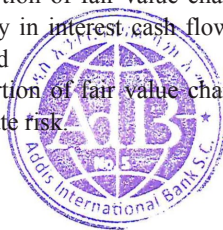
Interest income and expense presented in the statement of profit or loss and OCI include:

___ interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest basis;

___ interest on debt instruments measured at FVOCI calculated on an effective interest basis;

___ the effective portion of fair value changes in qualifying hedging derivatives designated in cash flow hedges of variability in interest cash flows, in the same period as the hedged cash flows affect interest income/expense; and

___ the effective portion of fair value changes in qualifying hedging derivatives designated in fair value hedges of interest rate risk.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

Interest income and expense on all trading assets and liabilities are considered to be incidental to the Bank's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income.

Interest income and expense on other financial assets and financial liabilities at FVTPL are presented in net income from other financial instruments at FVTPL.

2.5 Cash and cash equivalents

Cash and cash equivalents' include notes and coins on hand, unrestricted balances held with national banks and highly liquid financial assets with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

2.6 Net trading income

Net trading income' comprises gains less losses related to trading assets and liabilities, and includes all fair value changes, interest, dividends and foreign exchange differences.

2.7 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Bank operates ('the functional currency'). The functional currency and presentation currency of the Bank is the Ethiopian Birr (Birr).

b) Transactions and balances

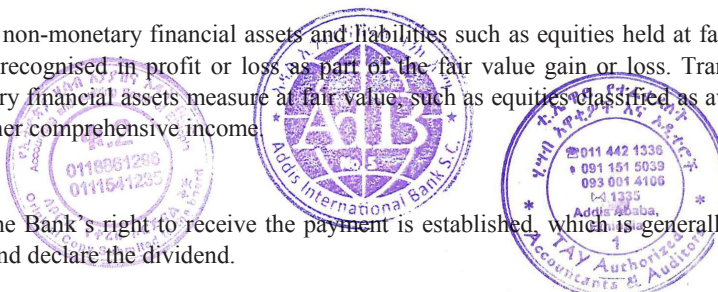
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at exchange rates of monetary assets and liabilities denominated in currencies other than the Bank's functional currency are recognised in profit or loss within other (loss)/income. Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets measure at fair value, such as equities classified as available for sale, are included in other comprehensive income.

2.8 Dividend income

This is recognised when the Bank's right to receive the payment is established, which is generally when the shareholders approve and declare the dividend.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

2.9 Foreign exchange revaluation gains or losses

These are gains and losses arising on settlement and translation of monetary assets and liabilities denominated in foreign currencies at the functional currency's spot rate of exchange at the reporting date. This amount is recognised in the income statement and it is further broken down into realised and unrealised portion.

The monetary assets and liabilities include financial assets within the foreign currencies deposits received and held on behalf of third parties.

2.10 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Bank recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognised in income statement as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

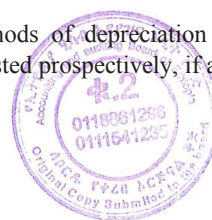
Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Asset class	Depreciation rate (years)	Residual value (%)
Buildings	50	5%
Motor vehicles	10	5%
Furniture & fittings	10	1%
Computer equipment	7	1%
Office equipment	Short lived- 5	1%
	Medium lived- 10	1%
	Long lived- 20	1%

The Bank commences depreciation when the asset is available for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

2.11 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in income statement in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is presented as a separate line item in the income statement.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives, as follow:

Intangible assets class	Useful lives (years)
Computer software	6

2.12 Investment property

Transfers from property, plant and equipment relates to buildings recognised under property, plant and equipment which are held to earn rental income and fall under the Bank's definition of an investment property.

Property that is held by the Bank to earn rental income or for capital appreciation, or both, and is not occupied by the Bank, are classified as investment properties.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the Bank and the cost can be reliably measured. This is usually when all risks are transferred.

Investment properties are measured initially at cost, including transaction costs. The Bank has opted to subsequently carry investment property at cost and disclose fair value. Fair value of investment property is the price that would be received from sale of the asset in an orderly transaction, without deduction of any transaction costs. Fair value of the Bank's investment property is determined by the Bank's staff who have recent experience in the location and category of the investment property being valued. Professional valuers were not involved.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

Earned rental income is recorded in profit or loss for the year within (other operating income). Gains and losses resulting from changes in the fair value of investment property are recorded in profit or loss for the year and presented separately.

Investment properties are derecognised when they have been disposed.

2.13 Impairment of non-financial assets

The Bank assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Bank estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Bank bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Bank's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Bank estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

2.14 Other assets

Other assets are generally defined as claims held against other entities for the future receipt of money or other benefits. The other assets in the Bank's financial statements include the following:

(a) Prepayments

Prepayments are payments made in advance for services to be enjoyed in future. The amount is initially capitalized in the reporting period in which the payment is made and subsequently amortised over the period in which the service is to be enjoyed.

(b) Other receivables

Other receivables are recognised upon the occurrence of event or transaction as they arise and cancelled when payment is received.

The Bank's other receivables are rent receivables and other receivables from debtors.

2.15 Fair value measurement

The Bank measures financial instruments classified as available-for-sale at fair value at each statement of financial position date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed are, summarised in the following notes:

- Disclosures for valuation methods, significant estimates and assumptions Note 4.14.3
- Quantitative disclosures of fair value measurement hierarchy Note 4.14.5
- Financial instruments (including those carried at amortised cost) Note 4.14.2

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Bank.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Bank determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Bank's management determines the policies and procedures for both recurring fair value measurement, such as available-for-sale financial assets.

For the purpose of fair value disclosures, the Bank has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.16 Employee benefits

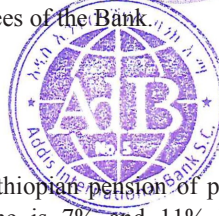
(a) *Wages, salaries and annual leave*

Wages, salaries, bonuses, other contributions, paid annual leave and sick leave are accrued in the year in which the associated services are rendered by employees of the Bank.

(b) *Defined contribution plan*

The Bank operates two defined contribution plans;

- i) pension scheme in line with the provisions of Ethiopian pension of private organisation employees proclamation 715/2011. Funding under the scheme is 7% and 11% by employees and the Bank respectively;
- ii) provident fund contribution, funding under this scheme is 7% and 13% by employees and the Bank respectively based on the employees' salary.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

2.17 Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Bank expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as other operating expenses.

2.18 Share capital

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds. The excess of the issue price over the par value is recorded in the share premium reserve.

2.19 Treasury stock

Where the Bank purchase its equity instruments, the consideration paid, including any directly attributable incremental external costs, net of income taxes, is deducted from equity until the equity instruments are reissued, disposed of or cancelled. Where such shares are subsequently disposed of or reissued, any consideration received is included in equity.

2.20 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS are calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding for the efforts of all diluted potential ordinary shares.

2.21 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Bank as a lessee

Leases that do not transfer to the Bank substantially all of the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Contingent rental payable is recognised as an expense in the period in which they are incurred.

Bank as a lessor

Leases where the Bank does not transfer substantially all of the risk and benefits of ownership of the asset are classified as operating leases. Rental income is recorded as earned based on the contractual terms of the lease in Other operating income. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

2.22 Dividend

Dividends are recorded in equity in the period in which they are declared. Any dividends declared after the end of the reporting period and before the financial statements are authorised for issue, are disclosed in the subsequent events note. The statutory accounting reports of the Bank are the basis for profit distribution and other appropriations. Ethiopian legislation identifies the basis of distribution as the current year net profit.

Dividend distribution to the Bank's shareholders is recognised as a liability in the Bank's financial statements in the period in which the dividends are approved by the Bank's shareholders.

2.23 Income taxation

(a) Current income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in Ethiopia. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred tax

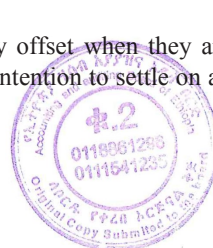
Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

3 Significant accounting judgements, estimates and assumptions

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Bank's exposure to risks and uncertainties includes:

- Capital management
- Financial risk management and policies
- Sensitivity analyses disclosures

3.1 Judgements

In the process of applying the Bank's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments - Bank as lessee

The Bank has entered into commercial property leases. The Bank has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Bank based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances beyond the control of the Bank. Such changes are reflected in the assumptions when they occur.

Impairment losses on loans and receivables

The Bank reviews its loan portfolios for impairment on an on-going basis. The Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. Impairment provisions are also recognised for losses not specifically identified but which, experience and observable data indicate, are present in the portfolio at the date of assessment. For individually significant financial assets that has been deemed to be impaired, management has deemed that cashflow from collateral obtained would arise within 24 months where the financial asset is collateralised.

Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio, when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

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The use of historical loss experience is supplemented with significant management judgment to assess whether current economic and credit conditions are such that the actual level of inherent losses is likely to differ from that suggested by historical experience. In normal circumstances, historical experience provides objective and relevant information from which to assess inherent loss within each portfolio. In other circumstances, historical loss experience provides less relevant information about the inherent loss in a given portfolio at the balance sheet date, for example, where there have been changes in economic conditions such that the most recent trends in risk factors are not fully reflected in the historical information. In these circumstances, such risk factors are taken into account when calculating the appropriate levels of impairment allowances, by adjusting the impairment loss derived solely from historical loss experience.

The detailed methodologies, areas of estimation and judgement applied in the calculation of the Bank's impairment charge on financial assets are set out in the Financial risk management section.

The estimation of impairment losses is subject to uncertainty, which has increased in the current economic environment, and is highly sensitive to factors such as the level of economic activity, unemployment rates, property price trends, and interest rates. The assumptions underlying this judgement are highly subjective. The methodology and the assumptions used in calculating impairment losses are reviewed regularly in the light of differences between loss estimates and actual loss experience.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Bank is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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4 Financial risk management

4.1 Introduction

Risk is inherent in the Bank's activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities. The Bank is exposed to credit risk, liquidity risk and market risk. It is also subject to country risk and various operating risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Bank's policy is to monitor those business risks through the Bank's strategic planning process.

4.1.1 Risk management structure

The Board of Directors (The Board) is responsible for the overall risk encountered by the Bank. The Board is responsible to approve comprehensive risk management program and policies of the Bank. The Board has an oversight role on the proper implementation of the Bank's risk management program or policies. The Board monitors proper implementation policies through various reports.

The Senior Management has the overall responsibility for the proper execution and interpretation of the risk strategy and implementing principles, frameworks, policies and limits. It is also responsible for managing risk decisions and monitoring risk levels and deliberate on reports to the Board regarding risk management issues and give timely directions.

The Risk Management Unit is responsible for implementing and maintaining risk related procedures, independently assesses and monitor the level of risk assumed by the Bank. Besides, the Risk Management Unit is responsible for monitoring compliance with risk principles, policies and limits across the Bank. It carries out an assessment of risk on periodic basis to monitor the Bank's overall risk, including monitoring the risk of exposures against limits and the assessment of risks of new products and structured transactions. Exceptions are reported, where necessary, to the Board's Risk Committee and the relevant actions are taken to address exceptions and any areas of weakness. The unit works closely with the Management Risk Committees to ensure that procedures are compliant with the overall framework. The unit is functionally responsible to the Board. The risk management has also reporting relationship with internal audit function. Internal audit function among others ensures the effectiveness of the risk management function periodically. Internal Audit Function discusses the results of its assessments with management, and reports its findings and recommendations to the Board Audit Committee.

ALCO (Asset & Liability Management Committee) is responsible for managing the Bank's financial assets, financial liabilities and the overall financial structure.

4.1.2 Risk measurement and reporting systems

The Bank's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical model. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Bank also runs worst-case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks are primarily performed based on limits established by the Bank. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the Bank is willing to accept, with additional emphasis on selected regions. In addition, the Bank measures and monitor the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.



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4.1.3 Risk mitigation

The Bank uses various risk mitigating techniques to reduce its risk to the level acceptable. Risk controls and mitigants, identified and approved for the Bank, are documented for existing and new processes and systems.

The adequacy of these mitigants is tested on a periodic basis through administration of control self-assessment questionnaires, using an operational risk management tool which requires risk owners to confirm the effectiveness of established controls. These are subsequently reviewed as part of the review process.

4.2 Credit risk

Credit risk is the probability that a counterparty of the Bank will not meet its obligations in accordance with agreed terms and conditions which may lead to financial loss. The Bank is exposed to credit risk due to activities such as loans and advances, loan commitments arising from lending activities, credit enhancement provided such as financial guarantees and letter of credit.

The Bank adopts a conservative approach to credit risk. Where appropriate, the Bank intervenes in the economy and provides guarantees in the financial system to prevent systemic risk.

4.2.1 Management of credit risk

Exposure to credit risk is managed through periodic analysis of the ability of borrowers and potential borrowers to determine their capacity to meet principal and interest thereon, and restructuring such limits as appropriate. Exposure to credit risk is also mitigated, in part, by obtaining collateral, commercial and personal guarantees.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to term of the financial instrument and economic sectors.

Credit management is conducted as per the risk management policy and guideline approved by the board of directors and the Risk Management Committees. Such policies are reviewed and modified periodically based on changes and expectations of the markets where the Bank operates, regulations, and other factors.

4.2.2 Credit related commitments risks

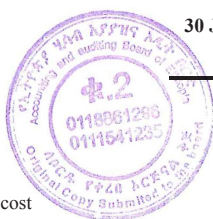
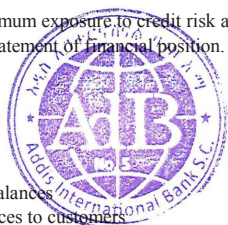
The Bank holds collateral against loans and receivables to customers in the form of bank guarantees and property. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired.

4.2.3 Credit risk exposure

i. Maximum exposure to credit risk before collateral held or credit enhancements

The Bank's maximum exposure to credit risk at 30 June 2022, 30 June 2021 and 30 June 2020 respectively, is represented by the net carrying amounts in the statement of financial position.

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Cash and bank balances	2,234,709	1,855,654	1,482,540
Loans and advances to customers	6,026,104	4,492,957	3,449,929
Investment securities:			
- Investment in Equity held through OCI	195,500	59,782	56,839
- Investment in security designated at amortized cost	705,929	862,456	862,456
Other assets	908,598	994,415	245,181
	<u>10,070,841</u>	<u>8,265,265</u>	<u>6,096,946</u>
Credit risk exposures relating to off balance sheets are as follows:			
Guarantees issued and outstanding	2,532,209	2,532,209	2,532,209
Loan commitments	35,490	35,490	35,490
Letter of credit and other credit related obligations	140,835	140,835	140,835
	<u>2,708,534</u>	<u>2,708,534</u>	<u>2,708,534</u>
Total maximum exposure	12,779,376	10,973,799	8,805,480



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4.2.4 Statement of Prudential adjustments

Provisions under prudential guidelines are determined using the time based provisioning prescribed by the National Bank of Ethiopia (NBE) Directives No SBB/69/2018. As a result of the differences in the methodology/provision, there will be variances in the impairments allowances required under IFRS-9 and NBE requirements.

The proclamation 'Financial Reporting Proclamation No.847/2014 stipulates that Banks would be required to make provisions for loans as prescribed in the relevant IFRS Standards when IFRS is adopted. However, Banks would be required to comply with the following

Provisions for loans & advances recognized in the income statement should be determined based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under the NBE Directives and the expected impact/changes in other reserves should be treated as:-

If the Prudential provisions is greater than IFRS provisions; the excess provision resulting should be transferred from the general reserve (retained earnings) account to a "regulatory risk reserve" and

If the Prudential provisions is less than IFRS provisions; the IFRS determined provision is charged to the statement of profit & loss and other comprehensive income and the cumulative balance in the regulatory risk reserve is thereafter reversed to the general reserve(retained earnings) account

The Bank compared the provision based on NBE Directive with impairment under IFRS-9 for comparative periods and hence the bank transferred an amount of Birr 144.82 million(June 30, 2022) and Birr 28.53 million(June 30, 2021) from retain earnings to the regulatory risk reserve as the impairment balance under IFRS was less than the provision amount to be held as per NBE requirements.

	30 June 2022	30 June 2021
	Birr'000	Birr'000
Total impairment on Loans & advances based on IFRS	62,121	8,302
Total impairment on loans & advances based on NBE	45,701	10,932
Variation(Amount transferred to Regulatory Risk Reserve)	16,421	(2,630)

	30 June 2022	30 June 2021
	Birr'000	Birr'000
Impairment on Loans & advances based on IFRS for the period	53,819	8,302
Impairment on loans & advances based on NBE Requirement for the period	34,768	10,932
Variation(Amount transferred to Regulatory Risk Reserve)	19,051	(2,630)

Further, the Bank compared the provision for other assets based on NBE Directive with impairment for

	30 June 2022	30 June 2021
	Birr'000	Birr'000
Total impairment on other assets based on IFRS	128	9,045
Total impairment on other assets(claims) based on NBE	8,543	0
Variation(Amount transferred to Regulatory Risk Reserve)	(8,416)	9,045

	30 June 2022	30 June 2021
	Birr'000	Birr'000
Impairment on other assets based on IFRS for the period	(8,917)	9,045
Impairment on other assets(claims) based on NBE Requirement for the period	8,543	17,594
Variation(Amount transferred to Regulatory Risk Reserve)	(17,460)	(8,549)

As per the requirements of IFRS , banks should recognize interest income on the written down amount of the loan after the impairment loss, on an accrual basis, using the EIR for non performing loans. However, As per the requirement of NBE, such interest on non-accrual status shall be kept in the suspended interest account(off balance sheet) and shall not be reported as income. Thus the amount reported as income(net of tax) as per IFRS is transferred to regulatory risk reserve

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	30 June 2022	30 June 2021
	Birr'000	Birr'000
Interest income on NPL reported per IFRS at the end of	49,205	16,656
Interest income on NPL reported per IFRS for the period	55,128	32,549
Sub Total	104,333	49,205
Profit tax paid/to be paid(30%)	31,300	14,762
Amount transferred to Regulatory Risk Reserve(Net of tax)	73,033	34,444
Total amounts transferred to Regulatory Risk Reserve	65,028	28,029

4.3 Amounts arising from ECL**i. Inputs, assumptions and techniques used for estimating impairment**See accounting policy in **Note 2.3.1. (c)****ii. Significant increase in credit**

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).
- the Bank uses three criteria for determining whether there has been a significant increase in credit risk:
 - quantitative test based on movement in PD;
 - qualitative indicators; and
 - a backstop of 30 days past due,



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iii. Credit risk grades

The Bank allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3. Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data;

a. Term loan exposures

- Information obtained during periodic review of customer files – e.g. audited financial statements, management accounts, budgets and projections. Examples of areas of particular focus are: gross profit margins, financial leverage ratios, debt service coverage, compliance
- Data from credit reference agencies, press articles, changes in external credit ratings
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities
- Internally collected data on customer behaviour – e.g. utilisation of credit card facilities
- Affordability metrics

b. Overdraft exposures

- Payment record – this includes overdue status as well as a range of variables about payment ratios
- Utilisation of the granted limit
- Requests for and granting of forbearance
- Existing and forecast changes in business, financial and economic conditions

iv. Generating the term structure of PD

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Bank collects performance and default information about its credit risk exposures analysed by type of product and borrower as well as by credit risk grading. The Bank employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

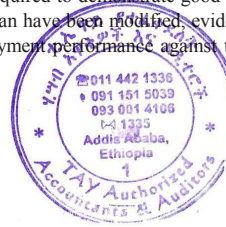
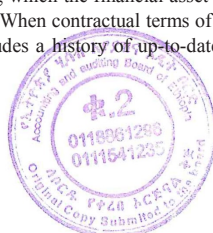
v. Determining whether credit risk has increased significantly

The Bank assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower.

The credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors linked to the Bank's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis. This will be the case for exposures that meet certain heightened risk criteria, such as placement on a watch list. Such qualitative factors are based on its expert judgment and relevant historical experiences.

As a backstop, the Bank considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Bank determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.



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The Bank monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due;
- the average time between the identification of a significant increase in credit risk and default appears reasonable;
- exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2).

vi. Definition of default

The Bank considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realising security (if any is held);
- the borrower is more than 90 days past due on any material credit obligation to the Bank.
- Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the Bank considers indicators that are:

- qualitative: e.g. breaches of covenant;
- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.
- Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

The definition of default largely aligns with that applied by the Bank for regulatory capital purposes.

vii. Incorporation of forward-looking information

The Bank incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

For each segment, the Bank formulates three economic scenarios: a base case, which is the median scenario, and two less likely scenarios, one upside and one downside. For each sector, the base case is aligned with the macroeconomic model's information value output, a measure of the predictive power of the model, as well as base macroeconomic projections for identified macroeconomic variables for each sector. The upside and downside scenarios are based on a combination of a percentage error factor of each sector model as well as simulated optimistic and pessimistic macroeconomic projections based on a measure of historical macroeconomic volatilities.

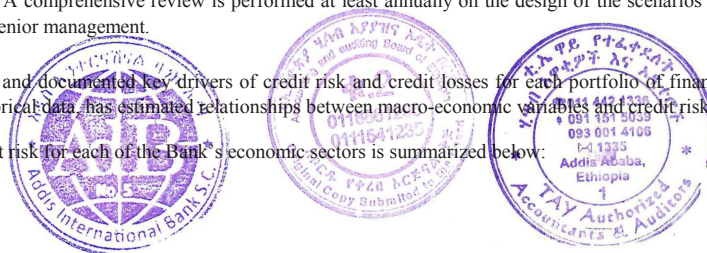
In line with the expected, as well as experienced, Expected Credit Loss forward - looking volatility arising from the economic impact of the Covid 19 global crisis, the Bank has conducted, and overlaid, additional scenario analysis on the macroeconomic overlay model. This includes application of higher probability weights on the downside scenario, lower probability weights on the upside scenario, as well as stress tests on macroeconomic projections. The Bank continues to monitor the economic impact of Covid 19 on its credit risk profile as well as forward - looking Expected Credit Loss estimates and shall update the same on its IFRS 9 forward - looking estimates as and when significant changes in the overall macroeconomic environment are experienced.

External information considered includes economic data and forecasts published by Business Monitor International, an external and independent macroeconomic data body. This is in addition to industry - level, semi - annual NPL trends across statistically comparable sectors.

Periodically, the Bank carries out stress testing of more extreme shocks to calibrate its determination of the upside and downside representative scenarios. A comprehensive review is performed at least annually on the design of the scenarios by a panel of experts that advises the Bank's senior management.

The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

The key drivers for credit risk for each of the Bank's economic sectors is summarized below:



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Sector/Product	Macroeconomic factors				
Agriculture, Personal loans and Staff loans	INFLATION: Consumer price index, 2010 = 100, ave	EXCHANGE RATE: ETB/USD, ave	GDP EXPENDITURE: Exports of goods and services, USD per capita	DEBT: Government domestic debt, ETBbn	STRATIFICATION: Household Spending, ETBbn
Domestic Trade & Services	GDP: GDP per capita, USD	GDP EXPENDITURE: Imports of goods and services, USDbn	INFLATION: Consumer price index, 2010 = 100, cop	EXCHANGE RATE: ETB/USD, ave	FISCAL: Total revenue, USDbn
Building & Construction and Manufacturing & Production	GDP EXPENDITURE: Exports of goods and services, USD per capita	FISCAL: Current expenditure, USDbn	DEBT: Government domestic debt, ETBbn	-	-
Export and Import	GDP EXPENDITURE: Exports of goods and services, ETBbn	GDP EXPENDITURE: Imports of goods and services, ETBbn	EXCHANGE RATE: Real effective exchange rate, index	GDP EXPENDITURE: Private final consumption, USDbn	DEBT: Total government debt, USDbn

The economic scenarios used as at 30 June 2020 included the following key indicators for Ethiopia for the years 2020 to 2022:

Macro-economic factor	2020	2021	2022
INFLATION: Consumer price index, 2010 = 100	397	470.4	517.4
GDP: GDP per capita, USD	783	889	1004
GDP EXPENDITURE: Exports of goods and services, USD per capita	64.4	72.1	80.3
GDP EXPENDITURE: Exports of goods and services, ETBbn	246.7	291.7	342.9
EXCHANGE RATE: ETB/USD	33.31	34.31	35.34
GDP EXPENDITURE: Imports of goods and services, USDbn	25.4	31.4	35.9
FISCAL: Current expenditure, USDbn	8.1	9.6	10.9
GDP EXPENDITURE: Imports of goods and services, ETBbn	845.7	1077.9	1270.6
INFLATION: Consumer price index, 2010 = 100	397	470.4	517.4
DEBT: Government domestic debt, ETBbn	752	872.3	1003.1
EXCHANGE RATE: Real effective exchange rate, index	126.32	124.12	122.16
GDP EXPENDITURE: Private final consumption, USDbn	68	81.9	95
STRATIFICATION: Household Spending, ETBbn	2095.7	2503.8	2991.5
FISCAL: Total revenue, USDbn	9.6	10.3	11.6
DEBT: Total government debt, USDbn	55.2	67.1	77

Predicted relationships between the key indicators and default rates on various portfolios of financial assets have been developed based on analysing semi – annual historical data over the past 5 years.



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viii. Modified financial assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy set out.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of: its remaining lifetime PD at the reporting date based on the modified terms; with the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

When modification results in derecognition, a new loan is recognised and allocated to Stage 1 (assuming it is not credit-impaired at that time).

ix. Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

The methodology of estimating PDs is discussed above under the heading 'Generating the term structure of PD'.

LGD is the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset.

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the amount of the guaranteed exposure when the financial guarantee becomes payable. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Bank measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Bank considers a longer period.

The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment or guarantee.

However, for overdrafts that include both a loan and an undrawn commitment component, the Bank measures ECL over a period longer than the maximum contractual period if the Bank's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Bank's exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Bank can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Bank becomes aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Bank expects to take, and that serve to mitigate ECL. These include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms.

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics that include:

- instrument type; credit risk grading; collateral type; LTV ratio for retail mortgages; date of initial recognition;
- remaining term to maturity; industry; and geographic location of the borrower.

The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous.

x. Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument

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Loans and advances to customers at amortised cost (on balance sheet exposures)	2022				2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<i>In Birr'000</i>								
Balance at 1 July	16,770	2,061	11,513	30,344	10,886	738	16,097	27,722
Transfer to 12 months ECL	14,165	-	-	14,165	3,547	(239)	(3,308)	-
Transfer to Lifetime ECL not credit impaired	-	976	14,055	15,031	(811)	811	-	-
Transfer to Lifetime ECL credit impaired	-	-	-	-	(244)	(18)	262	-
Net remeasurement of Loss allowance	-	-	-	-	(2,052)	226	310	(1,516)
Net financial assets originated or purchased	-	-	-	-	9,445	886	831	11,162
Financial assets derecognised	-	-	-	-	(4,002)	(343)	(2,679)	(7,025)
Balance at 30 June	30,935	3,037	25,568	59,540	16,770	2,061	11,513	30,344

Loan commitments and financial guarantee contracts (off balance sheet exposures)	2022				2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<i>In Birr'000</i>								
Balance at 1 July	1,506	-	-	1,506	1,210	-	-	1,210
Transfer to 12 months ECL	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL not credit impaired	-	-	-	-	-	-	-	-
Transfer to Lifetime ECL credit impaired	-	-	-	-	-	-	-	-
Net remeasurement of Loss allowance	176	-	-	176	176	-	-	176
Net financial assets originated or purchased	917	-	-	917	917	-	-	917
Financial assets derecognised	(797)	-	-	(797)	(797)	-	-	(797)
Balance at 30 June	1,802	-	-	1,802	1,506	-	-	1,506

Other financial assets	2022				
	Cash and balances with banks	Investment securities (debt instruments)	Emergency staff loans	Other receivables and financial assets	Total
<i>In Birr'000</i>					
Balance as at 1 July	76	43	2	9,611	9,732
Net remeasurement of loss allowance	16	(9)	2	121	130
New financial assets originated or purchased	-	-	-	-	-
Balance as at 30 June	92	34	4	9,732	9,862

Other financial assets	2021				
	Cash and	Investment	Emergency staff	Other	Total
<i>In Birr'000</i>					
Balance as at 1 July	55	43	-	560	660
Net remeasurement of loss allowance	20	-	1	9,050	9,071
New financial assets originated or purchased	-	-	-	-	-
Balance as at 30 June	76	43	2	9,611	9,731



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The following table provides a reconciliation between amounts shown in the above tables reconciling opening and closing balances of loss allowance per class of financial instrument; and the 'impairment losses on financial instruments' line item in the consolidated statement of profit or loss and other comprehensive income.

Charge to statement of profit or loss and other comprehensive income.	2022				2021			
	Loans and advances to customers at amortised cost	Investment securities (debt instruments)	Other financial assets	Total charge/(credit)	Loans and advances to customers at amortised cost	Investment securities (debt instruments)	Other financial assets	Total charge/(credit)
In Birr'000								
Net remeasurement of loss allowance	(1,516)	176	(1,816)	(3,156)	8,650	(73)	1,657	10,233
New financial assets originated or purchased	11,162	917	-	12,079	6,991	777	-	7,768
Financial assets derecognised	(7,025)	(797)	-	(7,821)	(4,135)	(1,735)	-	(5,870)
Amounts directly written off during the year	-	-	-	-	-	-	-	-
Recoveries of amounts previously written off	-	-	-	-	-	-	-	-
Total	2,621	296	(1,816)	1,101	11,506	(1,032)	1,657	12,131

4.4.1 Credit quality analysis

The following table sets out information about the credit quality of financial assets measured at amortised cost, FVOCI debt investments (2021). Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

The loss allowance for loans and advances to customers also includes the loss allowances for loan commitments and financial guarantee contracts

Explanation of the terms 'Stage 1', 'Stage 2' and 'Stage 3' is included in Note 2.3.1

In Birr'000	2022				2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Loans and advances to customers at amortised cost								
Stage 1 – Pass	5,793,987	-	-	5,793,987	4,260,778	-	-	4,260,778
Stage 2 – Special mention	-	116,617	-	116,617	-	99,951	-	99,951
Stage 3 - Non performing	-	-	232,381	232,381	-	-	175,121	175,121
Total gross exposure	5,793,987	116,617	232,381	6,142,986	4,260,778	99,951	175,121	4,535,850
Loss allowance	(19,344)	(818)	(82,068)	(102,229)	(18,301)	(1,067)	(20,740)	(40,108)
Net carrying amount	5,774,644	115,799	150,313	6,040,757	4,242,477	98,884	154,380	4,495,741



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In Birr'000	2022				2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Off balance sheet items								
Stage 1 – Pass	334,851	-	-	334,851	571,715	-	-	571,715
Stage 2 – Special mention	-	-	-	-	-	-	-	-
Stage 3 - Non performing	-	-	-	-	-	-	-	-
Total gross exposure	334,851	-	-	334,851	571,715	-	-	571,715
Loss allowance	(17)	-	-	(17)	(1,506)	-	-	(1,506)
Net carrying amount	334,834	-	-	334,834	570,209	-	-	570,209

In Birr'000	2022			2021		
	Gross exposure	Loss allowance	Net carrying amount	Gross exposure	Loss allowance	Net carrying amount
Other financial assets						
Cash and balances with banks	1,510,044	(76)	1,509,969	1,101,280	(55)	1,101,224
Investment securities (debt instruments)	862,532	(43)	862,488	862,532	(43)	862,488
Other receivables and financial assets	153,992	(9,611)	144,381	107,047	(560)	106,486
Emergency staff loans	33,666	(2)	33,664	20,375,822	(1)	-
Totals	2,560,234	(9,731)	2,550,503	22,446,680	(660)	2,070,199

4.5 Credit concentrations

The Bank monitors concentrations of credit risk by sector, location and purpose. An analysis of concentrations of credit risk at 30 June 2022, 30 June 2021 and 1 July 2020. The Bank concentrates all its financial assets in Ethiopia.

30 June 2022	Public enterprise	Private	Others	Total
	Birr'000	Birr'000	Birr'000	Birr'000
Cash and bank balances	1,059,246	782,813	392,742	2,234,801
Loans and advances to customers		6,026,104	-	6,026,104
Investment securities:				-
- Available for sale		195,500		195,500
- Loans and receivables	705,929			705,929
Other assets	711,066		197,533	908,598
Loan commitments				-
	2,476,241	7,004,418	590,275	10,070,933

30 June 2021	Public enterprise	Private	Others	Total
	Birr'000	Birr'000	Birr'000	Birr'000
Cash and bank balances	488,688	1,020,727	346,315	1,855,730
Loans and advances to customers		4,492,957	-	4,492,957
Investment securities:				-
- Available for sale		59,782		59,782
- Loans and receivables	862,456			862,456
Other assets	249,787		744,628	994,415
Loan commitments				-
	1,600,931	5,573,466	1,090,943	8,265,340

1 July 2020	Public enterprise	Private	Others	Total
	Birr'000	Birr'000	Birr'000	Birr'000
Cash and bank balances	743,887	358,769	379,939	1,482,595
Loans and advances to customers		3,449,929	-	3,449,929
Investment securities:				-
- Available for sale		56,839		56,839
- Loans and receivables	862,456			862,456
Other assets	122,792		122,389	245,181
	1,729,136	3,865,537	502,328	6,097,001



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4.6 Nature of security in respect of loans and advance to customers

	Secured against real estate Birr'000	Merchandise Birr'000	Plant and machinery Birr'000	Motor vehicles Birr'000	Others Birr'000	Total Birr'000
30 June 2022						
Agriculture	154,364	-	-	-	2,000	156,364
Transport	164,855	-	-	-	-	164,855
Manufacturing	1,107,012	-	39,617	22,358	141,832	1,310,819
Construction	1,973,050	-	12,377	121,002	42,772	2,149,201
Domestic trade and ser	3,004,256	-	50,736	110,004	145,758	3,310,754
Import	526,275	-	-	2,759	146,034	675,068
Export	1,461,268	-	11,030	3,712	1,545,481	3,021,491
Personal	-	-	-	-	24,918	24,918
Housing	216,259	-	-	6,200	-	222,459
Staff loans	-	-	-	-	-	-
	8,607,339	-	113,760	266,035	2,048,795	11,035,929
30 June 2021						
Agriculture	154,364	-	-	-	2,000	156,364
Transport	164,855	-	-	-	-	164,855
Manufacturing	1,107,012	-	39,617	22,358	141,832	1,310,819
Construction	1,973,050	-	12,377	121,002	42,772	2,149,201
Domestic Trade and Se	3,004,256	-	50,736	110,004	145,758	3,310,754
Import	526,275	-	-	2,759	146,034	675,068
Export	1,461,268	-	11,030	3,712	1,545,481	3,021,491
Personal	-	-	-	-	24,918	24,918
Housing	216,259	-	-	6,200	-	222,459
Staff loans	-	-	-	-	-	-
	8,607,339	-	113,760	266,035	2,048,795	11,035,929
1 July 2020						
Agriculture	11,574	-	-	-	2,000	13,574
Transport	77,929	-	-	3,165	929	82,023
Manufacturing	756,704	-	-	-	44,115	800,819
Construction	987,291	-	16,900	10,395	2,145	1,016,731
Domestic Trade and Se	1,944,735	-	349,020	37,333	2,315	2,333,402
Import	279,708	-	92,807	-	22,519	395,035
Export	445,256	-	158,590	-	-	603,846
Personal	-	-	-	-	27,387	27,387
Housing	136,269	-	-	-	-	136,269
Staff loans	-	-	-	-	-	-
	4,639,467	-	617,317	50,893	101,409	5,409,086



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4.7 Collateral held and their financial effect

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security and the Bank generally requests the borrowers to provide it. Staff loans are secured to the extent of the employee's continued employment in the Bank.

The Bank may take collateral in the form of a first charge over real estate, liens and guarantees. The Bank does not sell or repledge the collateral in the absence of default by the owner of the collateral. In addition to the Bank's focus on creditworthiness, the Bank aligns with its credit policy guide to periodically update the validation of collaterals held against all loans to customers.

For impaired loans, the Bank obtains appraisals of collateral because the fair value of the collateral is an input to the impairment measurement.

The fair value of the collaterals are based on the last revaluations carried out by the Bank's in-house engineers. The valuation technique adopted for properties is in line with the Bank's valuation manual and the revalued amount is similar to fair values of properties with similar size and location.

The fair value of collaterals other than properties such as share certificates, cash, NBE bills etc. as disclosed at the carrying amount as management is of the opinion that the cost of the process of establishing the fair value of the collateral exceeds benefits accruable from the exercise.

4.8 Liquidity risk

Liquidity risk is the risk that the Bank cannot meet its maturing obligations when they become due, at reasonable cost and in a timely manner. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Bank on acceptable terms.

Liquidity risk management in the Bank is solely determined by Asset and Liability Disbursement Committee, which bears the overall responsibility for liquidity risk. The main objective of the Bank's liquidity risk framework is to maintain sufficient liquidity in order to ensure that we meet our maturing obligations.

4.8.1 Management of liquidity risk

Cash flow forecasting is performed by the finance department. The finance department monitors rolling forecasts of liquidity requirements to ensure it has sufficient cash to meet operational needs.

The Bank has incurred indebtedness in the form of borrowings. The Bank evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Bank devises strategies to manage its liquidity risk.

Prudent liquidity risk management implies that sufficient cash is maintained and that sufficient funding is available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the Bank's reputation.

4.9 Maturity analysis of financial liabilities

The table below analyses the Bank's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The cash flows presented are the undiscounted amounts to be settled in future.

	0 - 30 days	31 - 90 days	91 - 180 days	81 - 365 days	Over 1 year	Total
	Birr'000	Birr'000	Birr'000	Birr'000	Birr'000	Birr'000
30 June 2022						
Deposits from customer	1,008,352	1,352,664	1,264,261	1,593,787	982,082	7,749,071
Debt securities issued						-
Other liabilities	9,821		68,251		618,304	644,710
Total financial liabilities	1,018,173	1,352,664	1,332,512	1,593,787	1,600,386	8,393,780
30 June 2021						
	0 - 30 days	31 - 90 days	91 - 180 days	81 - 365 days	Over 1 year	Total
	Birr'000	Birr'000	Birr'000	Birr'000	Birr'000	Birr'000

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Deposits from custome	1,008,352	1,352,664	1,264,261	1,593,787	982,082	6,281,414
Other liabilities	9,821	-	68,251	-	618,304	818,787
Total financial	1,018,173	1,352,664	1,332,512	1,593,787	1,600,386	7,100,201
1 July 2020	0 - 30 days Birr'000	31 - 90 days Birr'000	91 - 180 days Birr'000	81 - 365 days Birr'000	Over 1 year Birr'000	Total Birr'000
Deposits from custome	892,450	899,550	887,350	951,420	579,600	4,635,686
Other liabilities	9,050	-	32,460	-	342,570	397,547
Total financial liabilities	901,500	899,550	919,810	951,420	922,170	5,033,233

4.10 Market risk

Market risk is defined as the risk of loss risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market risk factors such as interest rates, foreign exchange rates, equity prices, credit spreads and their volatilities. Market risk can arise in conjunction with trading and non-trading activities of a financial institutions.

The Bank does not ordinarily engage in trading activities as there are no active markets in Ethiopia.

4.11 Management of market risk

The main objective of Market Risk Management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

4.12 Management of market risk

Market risk is monitored by the risk management department on regularly, to identify any adverse movement in the underlying variables.

(i) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates. Borrowings obtained at variable rates give rise to interest rate risk.

The Bank's exposure to the risk of changes in market interest rates relates primarily to the Bank's obligations and financial assets with floating interest rates. The Bank is also exposed on fixed rate financial assets and financial liabilities. The Bank's investment portfolio is comprised of NBE bills and cash deposits.

The table below sets out information on the exposures to fixed and variable interest instruments.

30 June 2022	Non-interest		Total Birr'000
	Fixed Birr'000	bearing Birr'000	
Assets			
Cash and bank balances	2,234,709	-	2,234,709
Loans and advances to customers	6,026,104	-	6,026,104
Investment securities	705,929	195,500	901,429
Other assets	711,066	207,264	918,330
Total	8,966,743	195,500	9,162,243
Liabilities			
Deposits from customers	7,749,071	-	7,749,071
Other liabilities	-	512,192	512,192
Total	7,749,071	512,192	8,261,263



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30 June 2021	Non-interest		Total
	Fixed	bearing	
	Birr'000	Birr'000	Birr'000
Assets			
Cash and bank balances	1,855,654	-	1,855,654
Loans and advances to customers	4,492,957	-	4,492,957
Investment securities	862,456	59,782	922,239
Other assets	249,787	754,239	1,004,026
Total	7,211,067	59,782	7,270,850
Liabilities			
Deposits from customers	6,281,414	-	6,281,414
Other liabilities	-	729,391	729,391
Total	6,281,414	729,391	7,010,805

01 July 2020	Non-interest		Total
	Fixed	bearing	
	Birr'000	Birr'000	Birr'000
Assets			
Cash and bank balances	1,482,540	-	1,482,540
Loans and advances to customers	3,449,929	-	3,449,929
Investment securities	862,456	56,839	919,295
Other assets	122,792	122,949	245,741
Total	5,794,926	56,839	5,851,765
Liabilities			
Deposits from customers	4,635,686	-	4,635,686
Other liabilities	-	296,295	296,295
Total	4,635,686	296,295	4,931,982

(ii) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates.

The Bank is exposed to exchange rate risks to the extent of balances and transactions denominated in a currency other than the Ethiopian Birr. The Bank's foreign currency bank accounts act as a natural hedge for these transactions. Management has set up a policy to manage the Bank's foreign exchange risk against its functional currency.

The table below summarises the impact of increases/decreases of 10% on equity and profit or loss arising from the Bank's foreign denominated borrowings and cash and bank balances.

The total foreign currency denominated assets and liabilities exposed to risk as at year end is as follows:

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Foreign currency denominated balances			
Cash and bank balan: USD	538,866	823,119	149,053
Euro	62,153	34,892	52,312
GBP	356	341	243
Deposits from custom: USD	12,085	21,785	10,635
Euro	511	665	685
GBP	925	934	574
Total	614,896	881,736	213,953



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Sensitivity analysis for foreign exchange risk

The sensitivity analysis for currency rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date.

The sensitivity of the Bank's earnings to fluctuations in exchange rates is reflected by varying the exchange rates at 10% as shown below:

	Carrying amount	10% increase in basis point	10% decrease in basis point
	Birr'000	Birr'000	Birr'000
30 June 2022			
USD	538,866	53,887	(53,887)
Euro	62,153	6,215	(6,215)
GBP	356	36	(36)
	601,375	60,137	(60,137)
30 June 2021			
USD	823,119	82,312	(82,312)
Euro	34,892	3,489	(3,489)
GBP	341	34	(34)
	858,352	85,835	(85,835)
1 July 2020			
USD	149,503	14,950	(14,950)
Euro	52,312	5,231	(5,231)
GBP	243	24	(24)
	202,058	20,206	(20,206)

4.13 Capital management

The Bank's objectives when managing capital are to comply with the capital requirements set by the National Bank of Ethiopia, safeguard its ability to continue as a going concern, and to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

4.13.1 Capital adequacy ratio

According to the Licensing & Supervision of Banking Business Directive No SBB/50/2011 of the National Bank of Ethiopia, the Bank has to maintain capital to risk weighted assets ratio of 8% at all times, the risk weighted assets being calculated as per the provisions of Directive No SBB/9/95 issued on August 18, 1995.

The capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk weighted asset base.

Capital includes share capital, share premium, retained earnings, legal reserve and other reserves to be approved by the National Bank

The capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk weighted asset base. The Bank's capital includes issued and fully paid share capital, legal reserves and other reserves to be approved by the National Bank of Ethiopia. However, any balance, should be netted off against the total risk weighted assets.:

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Capital			
Share capital	1,443,544	1,107,529	966,375
Share premium	-	-	-
Retained earnings	266,274	193,796	138,184
Legal reserves	354,205	267,990	200,180
	2,064,023	1,569,315	1,304,739

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Risk weighted assets

Risk weighted balance for on-balance sheet items				%
Claims on other banks maturing within 12 months	156,563	204,146	71,754	20
Loans and advances to customers	6,026,104	4,492,957	3,449,929	100
Investment securities				
- Investment in Equity held through OCI	195,500	59,782	56,839	100
- Investment in security designated at amortized cost	705,929	862,456	862,456	100
Other assets	1,253,278	1,301,496	455,179	100
Intangible assets	85,373	5,547	8,067	100
Property, plant and equipment	198,836	121,711	107,473	100

Credit equivalents for off-balance sheet items

Guarantees issued and outstanding	1,266,105	1,266,105	1,266,105	50
Loan commitment	17,745	17,745	17,745	50
Letter of credit and other credit related obligations	140,835	140,835	140,835	100
	<u>10,046,268</u>	<u>8,472,780</u>	<u>6,436,383</u>	

Risk-weighted Capital Adequacy Ratio (CAR)	21%	19%	20%
Minimum required capital Adequacy Ratio	8%	8%	8%
Excess	13%	11%	12%

4.14 Fair value of financial and non financial instruments

IFRS 13 requires an entity to classify measured or disclosed fair values according to a hierarchy that reflects the significance of observable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which comprises of three levels as described below, based on the lowest level input that is significant to the fair value measurement as a whole.

4.14.1 Valuation models

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Bank's market assumptions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active, or other valuation technique in which all significant inputs are directly or indirectly observable from market data. In conclusion, this category is for valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes all assets and liabilities for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the asset or liability's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

4.14.2 Financial instruments not measured at fair value

The following table summarises the carrying amounts of financial assets and liabilities at the reporting date by the level in the fair value which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

30 June 2022		30 June 2021		30 June 2020	
Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Birr'000	Birr'000	Birr'000	Birr'000	Birr'000	Birr'000

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Financial assets

Cash and bank balance	2,234,709	2,234,709	1,855,654	1,855,654	1,482,540	1,482,540
Loans and advances to customers	6,026,104	6,026,104	4,492,957	4,492,957	3,449,929	3,449,929
Investment securities	901,429	901,429	922,239	922,239	919,295	919,295
Other assets	1,253,278	1,253,278	1,301,496	1,301,496	455,179	455,179
Total	9,162,243	9,162,243	7,270,850	7,270,850	5,851,765	5,851,765

Financial liabilities

Deposits from customer	7,749,071	7,749,071	6,281,414	6,281,414	4,635,686	4,635,686
Other liabilities	644,710	644,710	818,787	818,787	397,547	397,547
Total	8,393,780	8,393,780	7,100,201	7,100,201	5,033,233	5,033,233

4.14.3 Fair value methods and assumptions

Loans and advances to customers

Loans and advances to customers are carried at amortised cost net of provision for impairment. The estimated fair value represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

Investment securities

The NBE bills are carried at amortised cost using the Effective Interest Rate (EIR) method. This means the amortised cost is determined as the fair value of the NBE bills at inception plus interest accrued using the EIR.

4.14.4 Valuation technique using significant unobservable inputs – Level 3

The Bank has no financial asset measured at fair value on subsequent recognition.

4.14.5 Transfers between the fair value hierarchy categories

During the three reporting periods covered by these annual financial statements, there were no movements between levels as a result of significant inputs to the fair valuation process becoming observable or unobservable.

4.15 Offsetting financial assets and financial liabilities

There are no offsetting arrangements. Financial assets and liabilities are settled and disclosed on a gross basis.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

	30 June 2022	30 June 2021
	Birr'000	Birr'000
5 Interest income		
Loans and advances to customers	750,325	597,210
Investment securities	10,463	32,249
Cash and cash equivalents	17,234	16,166
Treasury Bills	44,660	12,098
	<u>822,682</u>	<u>657,723</u>
	30 June 2022	30 June 2021
	Birr'000	Birr'000
6 Interest expense		
Savings deposits	185,472	146,088
Fixed time deposits	220,139	202,715
Short and Long term borrowings	16,147	9,961
	<u>421,758</u>	<u>358,765</u>
	30 June 2022	30 June 2021
	Birr'000	Birr'000
7 Net fees and commission income		
Fee and commission income		
Letter of gaurantee	74,732	102,296
Service charge	223,882	158,903
Letters of credit	122,810	106,414
Cash against document (CAD)	2,846	1,497
Cash payment orders	238	343
Automated teller machine	1,266	944
Other services	59	46
	<u>425,833</u>	<u>370,444</u>
Fee and commission expense		
Cash collections	(5,956)	(7,005)
Net fees and commission income	<u>419,877</u>	<u>363,439</u>
	30 June 2022	30 June 2021
	Birr'000	Birr'000
8 Other operating income		
Rental income from investment property	978	316
Dividend income	3,108	1,549
Other income	65,190	8,718
	<u>69,276</u>	<u>10,583</u>
	30 June 2022	30 June 2021
	Birr'000	Birr'000
9 Impairment charge		
Loans and Advance - charge for the year (note 15a)	62,121	8,302
Other imparment charges	128	9,045
	<u>62,249</u>	<u>17,347</u>



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

	30 June 2022	30 June 2021
	Birr'000	Birr'000
10 Net gain on foreign exchange		
Gain on foreign exchange	217,892	122,317
Loss on foreign exchange	(14,270)	(4,655)
	203,622	117,662
	30 June 2022	30 June 2021
	Birr'000	Birr'000
11 Personnel expenses		
Short term employee benefit		
Wages and salaries	196,796	141,898
Bonus	23,678	23,308
Staff allowances	34,395	24,917
Leave pay	9,900	8,021
Defined contribution plan:		
Pension costs	19,065	13,502
Provident fund contribution	1,095	893
Defined benefit plan: severance pay	5,204	3,096
Others		
Overtime	-	117
Training and education	10,605	5,507
Other staff expenses	12,365	8,164
	313,104	229,423
	30 June 2022	30 June 2021
	Birr'000	Birr'000
12 Other operating expenses		
Rental expenses	93,300	73,823
Security and janitorial expenses	64,967	27,569
Communication	5,110	3,793
Stationery and office supplies	8,822	5,042
Insurance premium	1,757	1,375
Business travel and transportation	2,704	1,410
Inauguration	-	5
Fuel and lubricants	1,061	760
Other expenses	8,486	5,419
Conference and meeting	2,569	788
Repairs and maintenance	6,638	4,972
Utilities	1,781	1,501
Wages for non-employees	247	236
Bank charges	2,146	1,756
Advertisement	13,001	8,373
Transportation of currency	182	263
Postage	162	107
Legal fees	19	33
Donations	4,621	7,089
Entertainment	126	44
	217,698	144,358



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

	30 June 2022	30 June 2021
	Birr'000	Birr'000
13 Company income and deferred tax		
13a Current income tax		
Company income tax	128,793	97,356
Prior year (over)/ under provision		
Capital gains tax	-	-
Tax on foreign deposit interest		
Deferred income tax/(credit) to profit or loss	(808)	218
Total charge to profit or loss	127,986	97,574
Tax (credit) on other comprehensive income	31,113	(631)
Total tax in statement of comprehensive income	159,099	96,943

13b Reconciliation of effective tax to statutory tax

The tax on the Bank's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	30 June 2022	30 June 2021
	Birr'000	Birr'000
Profit before tax	472,845	368,812
Non-deductible expenses	101,243	40,755
Deduct allowable expense	(144,777)	(85,048)
Tax calculated at statutory tax rate of 30 %	128,793	97,356

13c Current income tax liability

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Balance at the beginning of the year	97,199	61,658	47,406
Charge for the year:			
Education tax			
Capital gains tax			
Income tax expense	128,793	97,356	61,825
Prior year (over)/ under provision			
WHT Notes utilised	0	(157)	(168)
Payment during the year	(97,199)	(61,658)	(47,406)
Balance at the end of the year	128,793	97,199	61,658

13d Deferred income tax

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets of Birr (59,017, 12,728 and 13,141) for the Bank have not been recognised as at 30 June 2022, 30 June 2021 and 1 July 2020 respectively because it is not probable that future taxable profits will be available against which they can be utilised.

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
The analysis of deferred tax assets/(liabilities) is as follows:			
To be recovered after more than 12 months	(43,033)	(12,728)	(13,141)
To be recovered within 12 months			
Deferred income tax liability	(43,033)	(12,728)	(13,141)

ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

Deferred income tax assets and liabilities, deferred income tax charge/(credit) in profit or loss ("p or l), in equity and other comprehensive income are attributable to the following items:

Deferred income tax assets/(liabilities):	At 1 July 2021 Birr'000	Credit/ (charge) to profit or loss Birr'000	Credit/ (charge) to equity Birr'000	30 June 2022 Birr'000
Property, plant and equipment	(7,522)	(421)		(7,943)
Investments in Equity	(10,280)		(31,904)	(42,184)
Post employment benefit obligation	5,074	1,229	791	7,094
Total deferred tax assets/(liabilities)	(12,728)	808	(31,113)	(43,033)

Deferred income tax assets/(liabilities):	At 1 July 2020 Birr'000	Credit/ (charge) to profit or loss Birr'000	Credit/ (charge) to equity Birr'000	'30 June 2021 Birr'000
Property, plant and equipment	(6,523)	(999)		(7,522)
Investments in Equity	(9,847)		(433)	(10,280)
Post employment benefit obligation	3,230	781	1,063	5,074
Total deferred tax assets/(liabilities)	(13,141)	(218)	441	(12,728)

14 Cash and bank balances	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Cash on hand	392,742	346,315	379,939
Balance held with National Bank of Ethiopia	1,059,246	488,688	743,887
Deposits with local banks	181,438	162,376	156,711
Deposits with foreign banks	601,375	858,352	202,058
Less: Impairment Provision for Other bank Deposits	(92)	(76)	(55)
	2,234,709	1,855,654	1,482,540

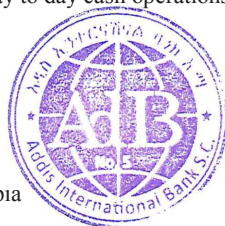
Maturity analysis

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Current	1,704,709	1,535,654	1,245,540
Non-current	530,000	320,000	237,000
	2,234,709	1,855,654	1,482,540

For the purpose of the cash flow statement, cash and cash equivalents comprise of cash on hand, cash at bank, short term deposit with banks. Cash and cash equivalent does not include restricted cash with NBE which is not available for use by the bank for normal day to day cash operations.

Cash and cash equivalents

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Cash on hand	392,742	346,315	379,939
Deposits with local banks	181,438	162,376	156,711
Deposits with foreign banks	601,375	858,352	202,058
Balance held with National Bank of Ethiopia	529,246	168,688	506,887
	1,704,801	1,535,730	1,245,595



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
15 Loans and advances to customers			
Agriculture	3,104	4,885	7,054
Transport	63,150	23,541	14,557
Manufacturing	516,181	543,431	428,520
Construction	905,956	726,363	453,489
Domestic Trade and Services	1,161,254	919,649	769,777
Import	379,263	292,627	210,337
Export	2,854,548	1,849,762	1,495,849
Personal	29,370	19,350	11,747
Housing	155,751	118,310	71,061
Vehicle	20,195	5,949	1,779
Staff loans	39,564	29,197	17,568
Gross amount	6,128,336	4,533,067	3,481,737
Less: Impairment allowance (note 15a)			
- Specific impairment			
Collective impairment	(102,231)	(40,110)	(31,808)
* Staff loans are presented at fair value by taking the market interest			
Net amount	6,026,104	4,492,957	3,449,929

*Maturity analysis***16a Investment securities****Investment in Equity held through OCI**

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Equity Investments	54,888	25,517	24,016
Fair valuation	140,612	34,265	32,823
Equity Investments	195,500	59,782	56,839

Investment in security designated at amortized cost

National Bank of Ethiopia (NBE) bills	36,105	862,500	862,500
Ethiopian Government bonds	43,675		
Treasury Bills	626,183		

Gross amount

Less:- Imparment Provision for NBE Bills	(34)	(43)	(43)
	705,929	862,456	862,456

Maturity analysis

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Current	36,105	248,264	248,264
Non- current	669,824	614,193	614,193
	705,929	862,456	862,456



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

The Bank holds equity investments in the following entities;

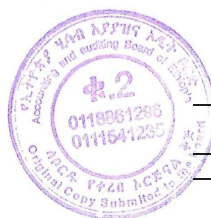
	30 June 2022			30 June 2021	
	Number of shares	Fair value	Percentage of ownership	Number of shares	Percentage of ownership
Ethio Life and General Insurance S	9,211	753	4.89%	8,214	5.03%
EthSwitch	40,877	130,873	6.63%	12,503	5.13%
Premier Switch Solution (PSS)	4,800	8,987	3.21%	4,800	3.21%
Total	54,888	140,612		25,517	

* The actual share balance as of June 30,2022 is Br. 54,888. While the fair valuation of the bank's investment has increased by Br. 753, 130,873 and 8,987 for Ethio-life and general insurance S.C., Ethswitch and Premier switch solution (PSS) respectively compared to ADIB's share holdings. The fair valuation is significantly increased due to EthSwitch's improved performance.

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
16b Non-current asset held for sale - Cost	86,774	171,755	66,046
	86,774	171,755	66,046

The non-current asset held for sale class of accounts comprises repossessed collaterals. Since no indicator of impairment is seen, impairment charges are not deducted.

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
17 Other assets			
17a Financial assets			
Un-cleared effects local and foreign	711,066	249,787	122,792
Credit and debit cards receivables	1,342	3,437	4,844
Other account receivables	205,922	750,802	118,105
Gross amount	918,330	1,004,026	245,741
Less: Imparment Provision for Receivables	(9,731)	(9,611)	(560)
	908,598	994,415	245,181
Non-financial assets			
Prepaid rent	211,972	211,193	143,886
Prepayments for branch under establishment	37,030	25,370	22,940
Prepaid staff expense	63,315	38,440	26,501
Shares awaiting resale	-	8,608	8,608
Stock of consumables (note 17b)	12,970	8,063	4,509
Prepayments for services	19,392	15,407	3,553
Withholding tax recoverable	-	-	-
	344,679	307,081	209,998
Gross amount	1,253,278	1,301,496	455,179



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

<i>Maturity analysis</i>	30 June	30 June	30 June
	2022	2021	2020
	Birr'000	Birr'000	Birr'000
Current	1,253,278	1,301,496	455,179
Non- current			
	<u>1,253,278</u>	<u>1,301,496</u>	<u>455,179</u>

17b Stock of consumables

A breakdown of stock of consumables included within other assets is as follows:

	30 June	30 June	30 June
	2022	2021	2020
	Birr'000	Birr'000	Birr'000
Supplies stock account	10,351	6,831	3,270
Others	2,620	1,232	1,239
	<u>12,970</u>	<u>8,063</u>	<u>4,509</u>
			Net book value
	Cost Amortisation		value
	Birr'000	Birr'000	Birr'000

18 Intangible Assets

As at 1 July 2020	24,824	16,757	8,067
Additions/(amortisation)	(1,760)	(2,603)	(351)
As at 30 June 2021	24,907	19,360	5,547
Additions/(amortisation)	82,512	(2,699)	79,826
As at 30 June 2022	107,419	22,046	85,373

The Bank's intangible assets consist of computer softwares. Amortisation is included as part of 'other operating expenses'. In addition, the bank has changed a new corebanking system (FLEXCUBE) and go live on September 2022. However, since the new system is in progress we are still using the previous system.

	30 June	30 June	30 June
	2022	2021	2020
	Birr'000	Birr'000	Birr'000
19 Investment property			
Cost:			
At the beginning of the year	2,194	2,194	2,194
Investment property	-	-	-
At the end of the year	<u>2,194</u>	<u>2,194</u>	<u>2,194</u>
Accumulated depreciation:			
At the beginning of the year	351	309	267
Charge for the year	42	42	42
At the end of the year	<u>393</u>	<u>351</u>	<u>309</u>
Net book value			
At the beginning of the year	1,843	1,885	1,926
At the end of the year	<u>1,801</u>	<u>1,843</u>	<u>1,885</u>



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

*For the year ended 30 June 2022***19a Amounts recognised in profit or loss for investment properties**

	Notes	30 June	30 June
		2022	2021
		Birr'000	Birr'000
Rental income (note 8)		978	316
Direct operating expenses from property that generated rental income		-	-
		978	316

19b Fair value measurement of the Bank's investment properties

The Bank's investment property is measured at cost. These properties include those held for rental purposes. There are currently no restrictions on the realisability of these properties.

Investment property is initially measured at cost including transaction costs and subsequently measured at depreciated cost (less any accumulated impairment losses). Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives of 50 years. The fair value of investment properties has been disclosed as required.

The fair value of the Bank's investment property as at the reporting date and has been arrived at by in-house engineers qualified estate surveyors and valuers. These valuers have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was determined based on the replacement cost concept which approximates the estimated amount for which a property should exchange on the date of valuation between knowledgeable willing parties in an arm's length transaction after proper marketing, prudently and without compulsion. This implies a market comparable approach that reflects the recent transaction prices for similar properties). In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique during the year.

19c Fair value hierarchy

Details of the Bank's investment properties and information about the fair value hierarchy are as

	Carrying amount	Level 1	Level 2	Level 3
	Birr'000	Birr'000	Birr'000	Birr'000
30 June 2022				
Investment properties	1,801		4,550	
30 June 2021				
Investment properties	1,843		4,550	
1 July 2020				
Investment properties	1,885	-	3,647	-



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

	Buildings Birr'000	Motor vehicles Birr'000	Office equipment Birr'000	Furniture and fittings Birr'000	Computer equipment Birr'000	Total Birr'000
20 Property, plant and equipment						
Cost						
As at 1 July 2020	18,107	38,639	43,450	30,783	64,062	195,041
Additions	6,450	5,818	9,487	6,210	8,589	36,555
As at 30 June 2021	24,558	44,457	52,937	36,994	72,651	231,596
As at 1 July 2021	24,558	44,457	52,937	36,994	72,651	231,596
Additions	45,820	2,022	19,267	16,160	14,053	97,321
Disposals	-	-	-	-	-	-
As at 30 June 2022	70,377	46,479	72,204	53,153	86,704	328,917
Accumulated depreciation						
As at 1 July 2020	1,121	19,202	20,758	13,080	33,409	87,571
Charge for the year	379	3,846	5,855	3,500	8,737	22,317
As at 30 June 2021	1,500	23,048	26,611	16,580	42,144	109,885
As at 1 July 2021	1,500	23,048	26,611	16,580	42,144	109,885
Charge for the year	538	3,904	6,090	3,468	7,233	21,234
Disposals	-	-	-	-	-	-
As at 30 June 2022	2,039	26,953	32,354	19,920	48,816	130,081
Net book value						
As at 1 July 2020	16,986	19,436	22,694	17,703	30,654	107,473
As at 30 June 2021	23,057	21,408	26,325	20,414	30,506	121,711
As at 30 June 2022	68,339	19,526	39,850	33,234	37,888	198,836

	30 June 2022 Birr'000	30 June 2021 Birr'000	30 June 2020 Birr'000
21 Deposits from customers			
Demand deposits	2,077,853	1,122,710	1,016,033
Savings deposits	3,296,824	2,650,302	1,743,107
Special savings	536,328	537,515	433,090
Time deposits	1,838,065	1,970,887	1,443,455
	7,749,071	6,281,414	4,635,686

Maturity analysis

	30 June 2022 Birr'000	30 June 2021 Birr'000	30 June 2020 Birr'000
Current	3,915,919	3,093,597	2,459,489
Non-current	3,833,152	3,187,817	2,176,197
	7,749,071	6,281,414	4,635,686



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

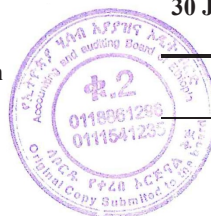
	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
22 Other liabilities			
Financial liabilities			
Letter of credit margin payables	102,527	301,939	124,948
Cash against document (CAD) margin payables	75,026	82,534	17,702
Banking instruments payables	41,611	32,796	29,267
Exchange commission payable	16,857	15,705	9,698
Accrued expenses	16,714	26,304	12,471
Dividend payable	4,372	74,440	57,713
SME Credit Facility DBE	255,084	177,153	44,495
Short - Term Borrowings	-	18,520	-
	<u>512,192</u>	<u>729,391</u>	<u>296,295</u>
Non-financial liabilities			
Defined contribution plan	2,557	1,648	909
Stamp duty payable	2,218	501	634
Withholding tax and valued added tax payables	12,348	6,149	5,804
Employee tax payable	5,890	2,986	1,665
Unearned income	39,369	25,875	49,434
Other payables	16,189	8,767	14,265
Lease Liability	53,946	43,471	28,541
	<u>132,518</u>	<u>89,396</u>	<u>101,252</u>
Gross amount	<u>644,710</u>	<u>818,787</u>	<u>397,547</u>
Maturity analysis			
Current	53,503	52,627	54,977
Non- current	591,207	766,159	342,570
	<u>644,710</u>	<u>818,787</u>	<u>397,547</u>

**23 Retirement benefit obligations**

The Bank operates an unfunded severance pay plan for its staff which is governed by Labour Law No. 377/03 article 39 & 40 and its subsequent labour amendment No. 494/06 new provisions in sub article (1) of 39. The final pay-out is determined by reference to current benefit's level (monthly salary) and number of years in service and is calculated as 1 month salary for the first year in employment plus 1/3 of monthly salary for each subsequent in employment to a maximum of 12 months final monthly salary.

Below are the details of movements and amounts recognised in the financial statements:

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
A Liability recognised in the financial position			
Severance pay	23,646	16,912	10,765



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

B Amount recognised in the profit or loss	30 June 2022	30 June 2021
	Birr'000	Birr'000
Current service cost	2,256	1,448
Past service cost	-	-
Interest cost	2,663	1,662
	4,919	3,110

The income statement charge included within personnel expenses includes current service cost, interest cost, past service costs on the defined benefit schemes.

C Amount recognised in other comprehensive income:	30 June 2022	30 June 2021
	Birr'000	Birr'000
Remeasurement gains on economic assumptions	658	220
Remeasurement loss on experience	(3,296)	(3,764)
Remeasurement Gain/loss on Equity investments	106,347	1,442
	103,709	-2,102

The movement in the defined benefit obligation over the years is as follows:

	30 June 2022	30 June 2021
	Birr'000	Birr'000
At the beginning of the year	16,912	10,765
Current service cost	2,256	1,448
Past service cost	-	-
Interest cost	2,663	1,662
losses	2,638	3,544
Benefits paid	(823)	(507)
year	23,646	16,912

The significant actuarial assumptions were as follows:

i) Financial Assumption Long term Average

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Discount rate (p.a)	23.10%	14.50%	13.90%
Long term salary increase(p.a)	19.30%	12.00%	12.00%

ii) Mortality in Service

The rate of mortality assumed for employees are those according to the Demographic and Health Survey (“DHS”) 2016 report. The DHS report provides male and female mortality rates for 5 year age bands from age 15 to age 49. Since the rates are provided in 5 year bands, the rate provided per band were applied as the mortality rate for the age in the middle of each band, and interpolated linearly for rates in between these ages.

For ages over 47, mortality was assumed to be in line with the SA85/90 ultimate standard South African mortality tables published by the Actuarial Society of South Africa (“ASSA”), since the rates in these tables are similar to the DHS female mortality rate at age 47.

These rates combined are approximately summarized as follows:

ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

Age	Mortality rate	
	Male	Female
20	30.6%	22.3%
25	30.3%	22.8%
30	35.5%	31.4%
35	40.5%	27.9%
40	51.5%	31.9%
45	45%	42.8%
50	62.8%	62.8%
55	97.9%	97.9%
60	153.6%	153.6%

iii) Withdrawal from Service

The withdrawal rates are believed to be reasonably representative of the Ethiopian experience. The valuation assumed the Company's resignation rates as follow.

Age	Resignation rates per annum
20	0.0%
25	27.4%
30	25.9%
35	20.4%
40	9.3%
45	19.5%
50+	3.7%

The sensitivity of the overall defined benefit liability to changes in the weighted principal assumption is:

Impact on defined benefit obligation

	Change in assumption	30 June 2022		30 June 2021	
		Impact of an increase Birr'000	Impact of a decrease Birr'000	Impact of an increase Birr'000	Impact of a decrease Birr'000
Discount rate	0.1%	22,739	24,598	16,183	17,682
Long term salary increase rate	0.1%	24,621	22,703	17,690	16,162

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

24 Provisions

	30 June 2022 Birr'000	30 June 2021 Birr'000	30 June 2020 Birr'000
Balance at the beginning	23,884	15,049	12,915
Payment during the year	(23,884)	(15,049)	(12,915)
Additional provisions for bonus payments	25,889	23,884	15,049
Other provisions	17	17	43
Balance at the end	25,907	23,901	15,091

ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
25 Ordinary share capital			
Authorised:			
5,000,000 ordinary shares of Birr 1000 each	5,000,000	1,500,000	1,500,000
Issued and fully paid:			
Ordinary shares of Birr 1000 each	1,443,544	1,107,529	966,375
Share premium	-	-	-

Total subscribed shares at the balance sheet date was Birr 1,458,426 out of which Birr 1,443,544 was paid.

Share premium represents the excess of contributions received over the nominal value of shares issued.

26 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit after taxation by the weighted average number of ordinary shares in issue during the year.

	30 June 2022	30 June 2021
	Birr'000	Birr'000
Profit attributable to shareholders	344,859	271,238
Weighted average number of ordinary shares in issue	1,221,014	1,085,263
Basic & diluted earnings per share (Birr)	28.24	24.99

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There were no potentially dilutive shares at the reporting date (30 June 2021 nil, 30 June 2020 nil, 30 June 2019: nil, 1 July 2018: nil), hence the basic and diluted loss per share have the same value.

	30 June 2022	30 June 2021
	Birr'000	Birr'000
27 Retained earnings		
At the beginning of the year	185,005	131,182
Profit for the year	344,859	271,238
Dividend paid	(193,796)	(138,184)
Transfer to legal reserve	(86,215)	(67,810)
Transfer to regulatory reserve	16,421	(2,630)
At the end of the year	266,274	185,005

	30 June 2022	30 June 2021
	Birr'000	Birr'000
28 Other comprehensive income		
At the beginning of the year	18,617	20,089
Remeasurement loss on retirement benefits obligations	(1,847)	(2,481)
Remeasurement Gain/loss on Equity investments	74,443	1,010
At the end of the year	91,214	18,617



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

	30 June 2022	30 June 2021
	Birr'000	Birr'000
29 Legal reserve		
At the beginning of the year	267,990	200,180
Transfer from profit or loss	86,215	67,810
At the end of the year	354,205	267,990

The NBE Directive No. SBB/4/95 requires the Bank to transfer annually 25% of its annual net profit to its legal reserve account until such account equals its capital. When the legal reserve account equals the capital of the Bank, the amount to be transferred to the legal reserve account will be 10% (ten percent) of the annual net profit.

	30 June 2022	30 June 2021
	Birr'000	Birr'000
30 Regulatory risk reserve		
At the beginning of the year	34,329	31,699
Transfer from retained earnings	-16,421	2,630
At the end of the year	17,909	34,329

The Regulatory risk reserve is a non-distributable reserves required by the regulations of the National Bank of Ethiopia (NBE) to be kept for impairment losses on loans and receivables in excess of IFRS charge as derived using the expected credit loss model.

Where the loan loss impairment determined using the National Bank of Ethiopia (NBE) guidelines is higher than the loan loss impairment determined using the expected credit loss model under IFRS, the difference is transferred to regulatory risk reserve and it is non-distributable to the owners of the Bank.

Where the loan loss impairment determined using the National Bank of Ethiopia (NBE) guidelines is less than the loan loss impairment determined using the incurred loss model under IFRS, the difference is transferred from regulatory risk reserve to the retained earnings to the extent of the non-distributable reserve previously recognised.



ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

	Notes	30 June 2022	30 June 2021
		Birr'000	Birr'000
31 Cash generated from operating activities			
Profit before tax		472,845	368,812
Adjustments for non- cash items:			
Adjustment for impairment			
Depreciation of property, plant and equipment	20	21,234	22,317
Depreciation of investment property	19	42	42
Amortisation of intangible assets	18	2,699	2,603
Impairment on loans and advances to customers	15	62,121	8,302
Net interest income		(400,924)	(298,958)
Income statement charge on defined benefit obligations	11	5,204	3,096
Provisions		2,005	8,835
other imparment charges		128	9,045
Changes in working capital:			
-Decrease/ (increase) in loans and advances to customers	15	(1,595,269)	(1,051,329)
-Decrease/ (increase) in other assets	17	48,098	(855,368)
-Increase/ (decrease) in deposits from customers	20	1,467,657	1,645,728
-Increase/ (decrease) in non current asset held for sale		84,981	(105,709)
-Increase/ (decrease) in other liabilities	22	(175,412)	421,254
		(4,591)	178,669

32 Related party transactions

The Bank is 24.33 % owned by cooperatives, 4.46 % by share companies, 62.98 % by individuals, 3.52% by Idirs, 3.07 % by Private Limited Companies and 1.64 % by others.

A number of transactions were entered into with related parties in the normal course of business. These are disclosed as follows:

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
32a Transactions with related parties			
Loans to related parties:			
- Loans to key management personnel *	14,380	8,921	8,921
- Estimated value of collateral	20,760	9,225	9,225
	35,140	18,147	18,147

32b Key management compensation

Key management has been determined to be the members of the Board of Directors and the Executive Management of the Bank. The compensation paid or payable to key management is shown below. There were no sales or purchase of goods and services between the Bank and key management personnel as at 30 June 2022.

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Monthly Salaries and other short-term employee benefits	1,194	755	755
Post-employment benefits	-	-	-
Sitting allowance	38	37	37
	1,231	792	792

ADDIS INTERNATIONAL BANK SHARE COMPANY

Notes to the financial statements

For the year ended 30 June 2022

Compensation of the Bank's key management personnel includes salaries and the maximum sitting allowance per meeting for each member of the Board of Directors. The amount paid is within the limit set in accordance with NBE directive SBB 63/2016.

33 Contingent liabilities

33a Claims and litigation

The Bank is a party to numerous legal actions brought by different organizations and individuals arising from its normal business operations. The maximum exposure of the Bank to these legal cases as at 30 June 2022 is Nil (30 June 2021 is Nil, 30 June 2020: Nil, 1 July 2019: Nil). No provision has been made in the financial statements as the directors believe that it is not probable that the economic benefits would flow out of the Bank in respect of these legal actions.

33b Guarantees and letters of credit

The Bank conducts business involving performance bonds and guarantees. These instruments are given as a security to support the performance of a customer to third parties. As the Bank will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

The table below summarises the fair value amount of contingent liabilities for the account of customers:

	30 June 2022	30 June 2021	30 June 2020
	Birr'000	Birr'000	Birr'000
Guarantees issued and outstanding	2,532,209	2,532,209	2,532,209
Letter of credit net of margin paid	140,835	140,835	140,835
	<u>2,673,044</u>	<u>2,673,044</u>	<u>2,673,044</u>

34 Commitments

The Bank has commitments, not provided for in these financial statements, of Birr 50,450 (30 June 2021: Birr 140,990, 30 June 2020: Birr 147,590) on loan approved but not disbursed.

35 Operating lease commitments - Bank as lessee

The Bank leases various properties under non-cancellable operating lease agreements.

The table below bridges operating lease commitments related to continuing operations to IFRS 16 lease

	30 June 2022	
	Birr'000	
Right of Use Asset	11,622,469	
Lease Liability		13,412,205
Interest Expense on Lease	2,116,806	
Rent Expense		327,069
Total	<u>13,739,275</u>	<u>13,739,275</u>

36 Events after reporting period

In the opinion of the Directors, there were no significant post balance sheet events which could have a material effect on the state of affairs of the Bank as at 30 June 2022 and on the profit for the period ended on that date, which have not been adequately provided for or disclosed.





ምርኅዝ

የአረጋዊያን ቁጠባ

ከፍተኛ ወለድ የሚያስገኝ



ዕድሜያቸው 50 እና ከዛ በላይ ለሆኑ
አረጋዊያን የቀረቡ የቁጠባ ሒሳብ

www.addisbanksc.com

ቀዳሚ ምርጫዎ

የዳይሬክተሮች ቦርድ ለቀመጠኛ ስራ መልዕክት

አዲስ አበባ ከተማ አስተዳደር ገንዘብ ልማት ቢሮ ለተደራገገው አገልግሎት፣ ጥሩ ለተደራገገው አገልግሎት፣ ክብራትና ክብርን።

በዳይሬክተሮች ቦርድ እና በራሴ ስም እ.ኤ.አ ሰኔ 30 ቀን 2022 ዓ.ም. የተጠናቀቀውን የ11ኛውን የሂሳብ ዓመት የዳይሬክተሮች ቦርድ ሪፖርት ለዚህ መደበኛ ጠቅላላ ጉባኤ ሳቀርብ በታላቅ አክብሮት ነው።

በ2021/22 የሂሳብ ዓመት የኢትዮጵያ ኢኮኖሚ በ3.8 በመቶ ብቻ እንደሚያደግ እ.ኤ.አ በ2022 ዓ.ም የወጣው የዓለም ዓቀፍ የገንዘብ ድርጅት ሪፖርት አመልክቷል። በሰሜኑ የአገራችን ክፍል ያለው የፖለቲካ አለመረጋጋት እና ጦርነት፣ በዩኒቨርሲቲ ራሽያ መካከል የተከፈተው ጦርነት፣ የኮቪድ-19 ወረርሽኝ ያስከተሉት ተፅዕኖዎች ለኢኮኖሚው መቀዛቀዝ ዋና ዋና ተግዳሮቶች ነበሩ። የተጠቀሱት ተግዳሮቶች ቢኖሩም በ 2021/22 ሂሳብ ዓመት ወደ ውጭ የተላኩ ምርቶች ጥሩ አፈጻጸም ነበራቸው። ሪፖርቶች እንደሚያመለክቱት በሂሳብ ዓመቱ ከውጭ ንግድ የተገኘው የውጭ ምንዛሬ 4.1 ቢሊዮን ዶላር ደርሷል። ከዚህ ውስጥ የቡና ሽያጭ ከአንድ ቢሊዮን ዶላር በማስገኘት ከፍተኛ የውጭ ምንዛሬ ምንጭ ሆኗል።

አገራችን በርካታ ውስጣዊ እና ውጭዊ ተግዳሮቶች ገጥሟታል፤ በተለይም በሰሜኑ የአገራችን ክፍል ጦርነቱ ያስከተለው የኢኮኖሚ ጉዳት ለማገገም ጊዜ እንደሚወስድ ተገምቷል። የውጭ ምንዛሬ እጥረት፣ ከፍተኛ የዋጋ ንረት እና የበጀት ጉድለት አገራችን ካጋጠሟት ችግሮች መካከል የሚጠቀሱ ናቸው። የማምረቻ ኩባንያዎች በውጭ ምንዛሬ እጥረት የተነሳ ጥሬ ዕቃ መግዛት ባለመቻላቸው ከአቅማቸው በታች እያመረቱ ይገኛሉ። ለመከላከያ እና ለሰብአዊ ዕርዳታ በሚወጣው ከፍተኛ ወጪ ምክንያት የመንግስት የበጀት ጉድለት እያደገ ሲሆን ከውጭ በዕርዳታ እና ብድር የሚገኘው ገቢ አስተማማኝ አለመሆን የበጀት ጉድለቱ እንዲሰፋ አስተዋፅዖ አድርጓል።

የሂሳብ ዓመቱ ቀዳሚ የኢኮኖሚ ችግሮች መካከል የዋጋ ንረት እና የኑሮ ውድነት መጨመር ነበር። በዓለም አቀፍ ደረጃ እየጨመረ የመጣው የምግብ፣ የነዳጅ እና ሌሎች የሽቀጠች ዋጋን ተከትሎ ከአቅርቦት ውስንነት ጋር ተዳምሮ በሂሳብ ዓመቱ የዋጋ ግሽበት በፍጥነት እየጨመረ እንዲሄድ ምክንያት ሆነዋል።

መንግስት እየተገበረ ያለው አገር በቀል የኢኮኖሚ ማሻሻያ ፕሮግራም ኢኮኖሚው ይህንን አስቸጋሪ ጊዜ እንዲሻገር ረድቷል። በዚህ መሰረት፤ ከስልሳ ዓመታት በላይ በሥራ ላይ የነበረውን የንግድ ህግ ማሻሻል እና የባንክ ዘርፍ ለውጭ መዋዕለ-ንዋይ አፍሳሽ ክፍት ለማድረግ መወሰኑ ዋና ዋና አበረታች እርምጃዎች ነበሩ። የኢትዮጵያ ብሔራዊ ባንክ የውጭ ምንዛሬ አጠቃቀምን ለመገደብ የተለያዩ መመሪያዎችን እና ማሻሻያዎችን አውጥቷል። ከነዚህም መካከል እ.ኤ.አ ከጥር 2022 ጀምሮ ባንኮች ከሚያገኙት የውጭ ምንዛሬ ሰባ በመቶውን ለኢትዮጵያ ብሔራዊ ባንክ እንዲሸጡ የሚሰገድደው መመሪያ ነው። መመሪያው ባንኮች ከውጭ ምንዛሬ በሚያገኙት ገቢ ላይ ከፍተኛ አላታዊ ተፅዕኖ አሳድሯል።

በሂሳብ ዓመቱ የባንኩ ዘርፍ በርካታ ፈተናዎችን ያሳለፈ ቢሆንም ጥሩ አፈጻጸም አሳይቷል። የኢትዮጵያ ብሔራዊ ባንክ ሪፖርት እንደሚያመለክተው፣ በርካታ ቁጥር ያላቸው አዳዲስ ባንኮች በሂሳብ አመቱ ወደ ገበያ ተቀላቅለዋል። የባንኮች ቁጥር ከ19 ወደ 30 አድጓል። በተጨማሪም 1600 አዳዲስ ቅርንጫፎች በመከፈታቸው የባንክ ኢንዱስትሪው ቅርንጫፎች ቁጥር ወደ 8,944 ደርሷል። በዚህም የባንክ ተደራሽነት በማደግ ምክንያት አንድ ቅርንጫፍ በአማካይ 111,516 ሰዎች ደርሷል። እ.ኤ.አ. በ2020/21 አጠቃላይ የባንኮች ተቀማጭ ገንዘብ ብር 1.7 ትሪሊዮን የደረሰ ሲሆን ካለፈው ዓመት ጋር ሲነጻጸር በ21.8 በመቶ አድጓል። አጠቃላይ የባንኮች ካፒታል ብር 199.1 ቢሊዮን ደርሷል። በተመሳሳይ የባንክ ኢንዱስትሪው ጠቅላላ ሀብት ወደ ብር 2.4 ትሪሊዮን ያደገ ሲሆን የባንኮች የተጣራ ትርፍም ብር 49.9 ቢሊዮን ሆኗል።

በእነዚህ አስቸጋሪ ጊዜያት ባንካችን ያዘጋጀውን የአምስት ዓመት ስትራቴጂ ለማሳካት መልካም የሥራ አፈጻጸም አስመዝግቧል። በዚህ መሠረት የባንኩ የትርፍ መጠን በመጨመሩ ከታክስ በፊት የተገኘው ትርፍ ብር 472.8 ሚሊዮን እንዲሁም ከታክስ በኋላ ብር 344.9 ሚሊዮን ደርሷል። ይህም በአንድ ሺሕ ብር አክሲዮን ብር 282 ትርፍ አስገኝቷል። የባንኩ የደንበኞች ቁጥር እያደገ ሲሆን

አጠቃላይ ካፒታል ብር 2.2 ቢሊዮን ደርሷል። ይህም ካለፈው ዓመት ተመሳሳይ ወቅት ጋር ሲነፃፀር የብር 550.9 ሚሊዮን 34 በመቶ ብልጫ አሳይቷል። እ.ኤ.አ. እስከ ሰኔ 30 ቀን 2022 ዓ.ም ድረስ የባንኩ ቅርንጫፎች ብዛት 112 የነበሩ ሲሆን ባንኩ አዋጭ የሆኑ ቦታዎችን በመለየት የቅርንጫፍ ስርጭቱን ማስፋፋት ላይ ይገኛል።

በሰሜን የሀገራችን ክፍል የቀጠለው ጦርነት እና የኮረና ወረርሽኝ ባስከተሉት ተፅዕኖዎች በባንክ ኢንዱስትሪ ውስጥ የተበላሹ ብድሮች መጠን (NPLs) እንዲጨምር አሉታዊ አስተዋፅኦ አድርጓል። ባንካችን ችግሩን ለመቋቋም አስፈላጊ እርምጃዎችን ወስዷል። ከባንኩ ዋና ስትራቴጂካዊ አቅጣጫዎች ውስጥ የሰው ሀብት ልማት አንዱ ነው። የሰለጠነ የሰው ኃይል የአንድ ባንክ ዋና የዕድገት መሠረት ነው። በዚህ መሠረት ባንኩ ከቅጥር ጀምሮ በሥራ ላይ ላሉ ሠራተኞች በተለያዩ የባንክ ሥራዎች ላይ በጥናት ላይ የተመሠረተ ሥልጠና በመስጠት ላይ ይገኛል። ባንኩ ወደ አዲስ የባንክ ቴክኖሎጂ በመሸጋገር ላይ ሲሆን በተግባር ላይ ያሉትን አገልግሎቶች ዘመናዊ ለማድረግ እና አዳዲስ የዲጅታል ባንክ አገልግሎቶችን ለማስጀመር በዝግጅት ላይ ይገኛል።

ባለፉት ዓመታት ባንኩ በልደታ ክፍለ ከተማ ከአዲስ አበባ ንግድ ሥራ ኮሌጅ ፊት ለፊት የሚገኝ ቦታን በሊዝ ውል ከአዲስ አበባ ከተማ አስተዳደር ለመረከብ ተደጋጋሚ ሙከራ አድርጓል። ሆኖም ግን በተለያዩ ምክንያቶች እስካሁን ድረስ መሬቱን ከመስተዳድሩ መረከብ አልተቻለም። ባንኩ አሁንም ቦታውን ለመረከብና ሂደቱን ለማፋጠን ጥረት በማድረግ ላይ ይገኛል።

ባንኩ እ.ኤ.አ. እስከ ሰኔ 30 ቀን 2026 ዓ.ም. ድረስ የሚጠበቅበትን ዝቅተኛ የተከፈለ ካፒታል ብር 5.0 ቢሊዮን ለማሟላት እና ካፒታሉን ለማሳደግ የሚረዱ ስትራቴጂካዎችን በመንደፍ ወደ ተግባር ገብቷል። ቦርዱ አፈጻጸሞቹን በቅርበት እየተከታተለ ይገኛል። የባንኩን እድገትና የሚጠበቀውን የተከፈለ ካፒታል እውን ለማድረግ ባለአክሲዮኖች ካፒታላቸውን አሳድገው ተቀማጭ ገንዘባቸውን ወደ ባንክ እንዲያመጡ በዚህ አጋጣሚ ጥሪ ለማቅረብ እወዳለሁ። የባንኩን ካፒታል ለማሳደግ በሚቻልበት መንገድ ላይ ለመወያየት ከመካከለኛና ከከፍተኛ ባለአክሲዮኖች ጋር ሦስት ዙር ስብሰባ አኳኒደናል፤ ሆኖም የተገኘው ውጤት የተጠበቀውን ያህል

አይደለም። ስለዚህ፤ሁሉም ባለአክሲዮኖች በባለቤትነት ስሜት በመነሳሳት የምትችሉትን ያህል አስተዋጽኦ እንድታደርጉ በአክብሮት እጠይቃለሁ። በተጠቀሰው ጊዜ ውስጥ የሚጠበቀውን የካፒታል መጠን ለማሟላት የማይቻል መሆኑ ከታወቀ፣ ከሌላ ባንክ ጋር ለመዋሀድ የሚያስችለውን ጥናት ባንኩ ቀደም ብሎ የሚጀምር መሆኑን መግለጽ እወዳለሁ።

ክቡራትና ክቡራን ከዚህ በመቀጠል የበጀት ዓመቱን የዳይሬክተሮች ቦርድ ሪፖርት በአጭሩ አቀርባለሁ። ቦርዱ በበጀት ዓመቱ ውስጥ የሚከተሉትን ተግባራትን አከናውኗል።

1. በተጠናቀቀው የበጀት ዓመት ለባንኩ አገልግሎት አሰጣጥ አጋኝ የሆኑ የተለያዩ ፖሊሲዎችንና ፕሮፖዛሎችን መርምሮ አጽድቋል። እነዚህም፡-

- የህግ አገልግሎት ፖሊሲ
- የሞባይል ባንኪንግ ማሻሻያ ፖሊሲ
- የደንበኞች ሂሳብ አከፋፈትና ክትትል (KYC) ፖሊሲና መመሪያ
- የንብረት ግምት ማስፈጸሚያ መመሪያ
- በሕገወጥ የሚገኝ ገንዘብ እና ሽብርተኝነትን ፋይናንስ ማድረግ ድርጅታዊ ፖሊሲና መመሪያ
- የውጭ ምንዛሬ አደላደልና አስተዳደር መመሪያ
- የአዲሱ ኮር ባንኪንግ አሰራር መምሪያ
- የአግልግሎትና የብድር ወለድ ተመን ማሻሻያ

2. ቦርዱ የሚከተሉት ከአስተዳደር እና ኦፕሬሽን ጋር የተያያዙ ጉዳዮችን መርምሮ አጽድቋል።

- የኢንፎርሜሽን ቴክኖሎጂ መመሪያ መዋቅር ማሻሻያ
- የደንበኞች ሂሳብ አከፋፈትና ክትትል ክፍል ለማቋቋም የቀረበ የውሳኔ ሃሳብ
- የ2021/22 እና የ2022/23 የሂሳብ አመት የጉርሻ እና ዓመታዊ የደመወዝ ጭማሪ የቀረበ የውሳኔ ሃሳብ

- በEThSwitch፣ Premiere Switch Solution (PSS) እና በኢትዮ-ላይፍ ኢንፎርሜሽን አ.ማ. ላይ ተጨማሪ አክሲዮን ለመግዛት የቀረበ ሃሳብ
 - የባንኩን ድርጅታዊ መዋቀር ለማስጠናት የቀረበውን ሃሳብ
3. ቦርዱ በብሔራዊ ባንክ የመልካም አስተዳደር መመሪያ መሰረት የተለያዩ ስራዎች አከናውኗል። እነዚህም፡-
- የሙሉ ቦርድ እና የቦርድ ኮሚቴዎች ላይ ግምገማ ተደርጋል። በተጨማሪም የዳይሬክተሮች ቦርድ የሥነ ምግባር ደንብ አጽድቋል፣ የውጭ ኦዲተሮችን ሽመት አጽድቋል፣ የ2021/22 የደንበኞች እርካታ ጥናት መርምሮ አጽድቋል እንዲሁም ማህበራዊ ሃላፊነትን ለመወጣት የቀረቡ የገንዘብ ልገሳ ጥያቄዎችን ምላሽ ሰጥቷል።

4. ከሐምሌ 01 ቀን 2014 ዓ.ም. እስከ ሰኔ 30 ቀን 2015 ዓ.ም. ድረስ ባሉት ጊዜያት ውስጥ የተከናወኑ ተግባራትንና ያጋጠሙ ችግሮችን ለመፍታት በብሔራዊ ባንክ መመሪያ ቁጥር 71/2019 አንቀፅ 10.6 መሰረት ተግባራዊ አድርጎል። በተጨማሪም በሩብ ዓመት፣ ግማሽና ዓመታዊ ሪፖርቶች በመገምገም የመፍትሔ ሃሳቦችን በመስጠት የመሪነት ሚናውን ተወጥቷል።

በመጨረሻም፣ ደምበኞቻችን ለባንኩ ስኬት ላበረከቱት አስተዋጽኦ ከፍተኛ ምስጋና አቀርባለሁ። የቦርድ አባላት ለሰጡት ጠንካራ አመራር እና ላበረከቱት አስተዋጽኦ ለመሰግናቸው እወዳለሁ። በዓመቱ ለተመዘገበው ውጤት በቁርጠኝነት ያላሰለሰ ጥረት ላደረጉት የሥራ አመራር አባላት እና ሠራተኞች ምስጋናዬን መግለጽ እፈልጋለሁ። ባለአክሲዮኖች ላደረጉት ጉልህ አስተዋጽኦ፣ ብሔራዊ ባንክ እና የውጭ ኦዲተሮች ላደረጉልን ድጋፍ ምስጋናዬን አቀርባለሁ።

የ2021/22 በጀት ዓመት የዳይሬክተሮች ቦርድ ሪፖርት

1. አጠቃላይ ሁኔታ

አዲስ ኢንተርናሽናል ባንክ አ.ማ በ2021/22 የሂሳብ ዓመት የሥራ አፈጻጸም ክንውን ወቅት ያጋጠሙትን ተግዳሮቶች ማለትም በሰሜን የሀገራችን ክፍል የቀጠለውን ጦርነት እና የፖለቲካ አለመረጋጋት፣ የኮረና ወረርሽኝ፣ የውጭ ምንዛሬ እጥረት፣ ከፍተኛ የሆነ የዋጋ ንረት እና ሌሎች ተፅዕኖዎች ተቋቁሞ በበጀት ዓመቱ ያስመዘገበው ዋና ዋና የሥራ አፈጻጸም ሪፖርት እና የውጭ ኦዲተር ሪፖርት ማለትም የሀብትና ዕዳ፣ የትርፍና ኪሳራ መግለጫ እና ማብራሪያዎች እንደሚከተለው ቀርቧል፡-

1.1 ተቀማጭ ገንዘብ

እ.ኤ.አ በ2021/22 የሂሳብ ዓመት በተደረገው ያላሰለሰ ጥረት የባንኩ ጠቅላላ ተቀማጭ ገንዘብ ኤል ሲ ማርጅንን (LC margin) ጨምሮ በ23 በመቶ በማደግ ብር 7.9 ቢሊዮን ደርሷል። ከተሰበሰበው ተቀማጭ ገንዘብ ውስጥ 49 በመቶ የቁጠባ ሂሳብ፣ 27 በመቶ የተንቀሳቃሽ እና 23 በመቶ የሚሆነው የጊዜ ገደብ ተቀማጭ ሲሆን ቀሪው 1 በመቶ ኤል ሲ ማርጅን ነበር።

በሂሳብ ዓመቱ የተንቀሳቃሽ ሂሳብ በብር 955 ሚሊዮን ወይም 85.1 በመቶ እና የቁጠባ ሂሳብ በብር 645 ሚሊዮን ወይም 20.2 በመቶ እድገት የተመዘገበ ሲሆን የጊዜ ገደብ ሂሳብ ካለፈው ዓመት ተመሳሳይ ወቅት ጋር ሲነጻጸር ቅናሽ አሳይቷል። የአስቀማጭዎች ቁጥር እ.ኤ.አ እስከ ሰኔ 30 ቀን 2022 ዓ.ም. ድረስ 366,299 የደረሰ ሲሆን ካለፈው ዓመት ጋር ሲነፃፀር የ31 በመቶ ዕድገት አሳይቷል። ይህም የባንኩ ተደራሽነት እያደገ መምጣቱን ያሳያል።

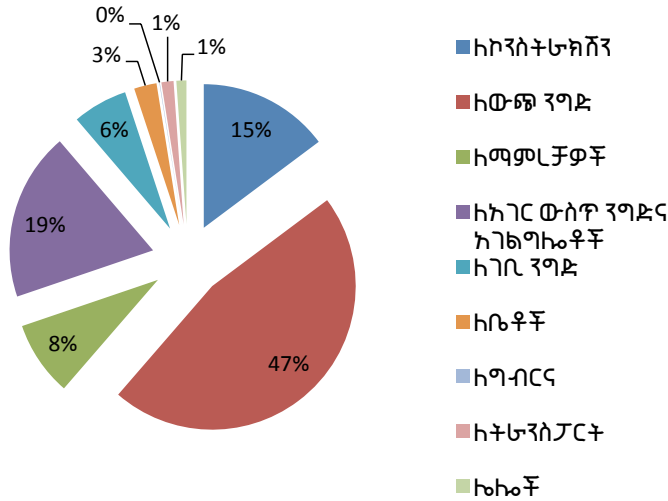
1.2 ብድር

እ.ኤ.አ. እስከ ሰኔ 30 ቀን 2022 ዓ.ም. ድረስ ባንኩ ለደምበኞች የሰጠው አጠቃላይ ብድር መጠን ብር 6.1 ቢሊዮን ደርሷል። ካለፈው ዓመት ተመሳሳይ ወቅት ጋር ሲነፃፀር የብር 1.6 ቢሊዮን ወይም የ35 በመቶ ዕድገት አሳይቷል። የብድር ስርጭቱ በኢኮኖሚ ዘርፍ እንደሚከተለው ቀርቧል።

ሠንጠረዥ 1: የ2021/22 በጀት ዓመት የብድር ስርጭት በኢኮኖሚ ዘርፍ

ተ.ቁ	የብድር ዓይነት በኢኮኖሚ ዘርፍ	በመጠን (በሚሊዮን ብር)
1	ለኮንስትራክሽን	906.0
2	ለውጭ ንግድ	2854.5
3	ለማምረቻዎች	516.2
4	ለአገር ውስጥ ንግድና አገልግሎቶች	1161.3
5	ለገቢ ንግድ	379.3
6	ለቤቶች	155.8
7	ለግብርና	3.1
8	ለትራንስፖርት	83.3
9	ሌሎች	68.9
ጠቅላላ ብድር		6,128.4

ሥዕላዊ መግለጫ 1: የብድር ስርጭት በኢኮኖሚ ዘርፍ በመቶኛ



የባንኩ የብድር ስርጭት በኢኮኖሚ ዘርፍ ሲታይ ኮንትራት-ክሽን 15 በመቶ፣ የውጭ ንግድ 47 በመቶ፣ የሀገር ውስጥ ንግድና አገልግሎት 19 በመቶ፣ የገቢ ንግድ 6 በመቶ፣ የግንባታ ብድር 3 በመቶ እንዲሁም ሌሎች ዘርፎች 2 በመቶ የሚሆነውን ድርሻ ይዘዋል። ባንኩ በሂሳብ ዓመቱ መጨረሻ በደምበኞች እጅ ከሚገኘው ብድር ውስጥ 96.8 በመቶ ጤናማ ብድር ሲሆን የተበላሽ ብድር 3.2 በመቶ ነበር። ይህም የኢትዮጵያ ብሔራዊ ባንክ ካስቀመጠው 5 በመቶ መስፈርት በታች መሆኑን ያመለክታል።

1.3 የዓለም አቀፍ ባንክ አገልግሎት

በሂሳብ ዓመቱ ባንኩ በዓለም አቀፍ የባንክ አገልግሎት አበረታች ውጤት ያስመዘገበ ሲሆን፣ ከዘርፉ በጠቅላላው ብር 539.4 ሚሊዮን ገቢ ለማግኘት ችሏል። ይህም ባለፈው ዓመት ተመሳሳይ ወቅት ከተገኘው ገቢ በብር 155.5 ሚሊዮን ማደጉን ያሳያል። እንዲሁም በሂሳብ ዓመቱ የተሰበሰበው የውጭ ምንዛሬ 146.5 ሚሊዮን የአሜሪካን ዶላር ሲሆን፣ ካለፈው ሂሳብ ዓመት ጋር ሲነጻጸር የ27.6 በመቶ ጭማሪ አሳይቷል። የዓለም አቀፍ የሃዋላ ሥራን በተመለከተ ባንካችን ስም-ጥር ከሆኑ ዓለም አቀፍ የገንዘብ አስተላላጫ ድርጅቶች ማለትም ዌስተርን ዩኒየን (Western Union)፣ ሙኒ ግራም (MoneyGram)፣ ደሀብሽል (Dahabshiiil)፣ ኤክስፕረስ ሙኒ (XPRESS Money)፣ ሪያ (Ria)፣ ትራንስ ፋስት (Trans-fast)፣ ወርልድ ሬሚት (Worldremit) እና ኤክስፕሪድ ፎር ፍሪ (Exchange4free) ከተባሉ ተቋማት ጋር የውል

ስምምነት አድርጎ አገልግሎት በመስጠት ላይ ይገኛል። በተጨማሪም ባንካችን የዓለም አቀፍ ስዊፍት (SWIFT) አገልግሎት አባል በመሆኑ የባንኩን ስዊፍት ኮድ AB-SCEETAA በመጠቀም ከየትኛውም የዓለም ክፍል ገንዘብ መላክና መቀበል አስችሎታል።

2. የፋይናንስ ክንውን

2.1. ሀብት

እ.ኤ.አ. ሰኔ 30 ቀን 2022 በተጠናቀቀው ሂሳብ ዓመት የባንኩ ጠቅላላ ሀብት ብር 10.8 ቢሊዮን የደረሰ ሲሆን፣ ካለፈው ዓመት ጋር ሲነፃፀር በብር 1.9 ቢሊዮን ጨምሯል። ከባንኩ ጠቅላላ ሀብት ውስጥ ለደምበኞች የተሰጠ የተጣራ ብድር 55.9 በመቶ፣ ጥሬ ገንዘብና በሌሎች ባንኮች ተቀማጭ ገንዘብ 20.7 በመቶ እና ሌሎች 22.4 በመቶ የሚሆነውን ድርሻ ይዘዋል።

2.2. ካፒታል

በሂሳብ ዓመቱ መጨረሻ የባንኩ አጠቃላይ ካፒታል ብር 2.2 ቢሊዮን ደርሷል። ይህም ካለፈው ሂሳብ ዓመት ተመሳሳይ ወቅት የብር 550.9 ሚሊዮን ወይም የ34 በመቶ ዕድገት አስመዝግቧል።

ከባንኩ አጠቃላይ ካፒታል ከፍተኛውን ድርሻ የሚይዘው የተከፈለ ካፒታል ነው። ይህም ብር 1.4 ቢሊዮን የደረሰ ሲሆን ካለፈው አመት ጋር ሲነጻጸር የ30.3 በመቶ ዕድገት አሳይቷል። በተመሳሳይ የባንኩ ባለክሲዮኖች ቁጥርም በዓመቱ የ7.8 በመቶ ዕድገት በማሳየት 14,077 ደርሷል።

2.3 ገቢ

ባንኩ በበጀት ዓመቱ ብር 1.5 ቢሊዮን ገቢ ያገኘ ሲሆን፣ ይህም ባለፈው ዓመት ከተገኘው የገቢ መጠን ጋር ሲነፃፀር የ32 በመቶ (የብር 365.0 ሚሊዮን) ዕድገት አሳይቷል። የተለያዩ የገቢ ምንጮች ድርሻ በሰንጠረዥ 2 እንደሚከተለው ቀርቧል።

ሠንጠረዥ 2: የ2021/22 በጀት ዓመት የገቢ ዝርዝር

ተ.ቁ.	የገቢ አይነት	መጠን (በሚሊዮን ብር)	በመቶኛ
1	ከብድር የተገኘ ወለድ	822.7	54.1
2	ከክፍያና ከኮሚሽን	425.8	28.0
3	ከውጭ ምንዛሪ ግብይት	203.6	13.3
4	ከሌሎች የሰራ ገቢዎች	69.3	4.6
ጠቅላላ		1,521.4	100.0

2.4. ወጪ

በሂሳብ ዓመቱ የባንኩ ጠቅላላ ወጪ ብር 1048.6 ሚሊዮን የደረሰ ሲሆን፣ ካለፈው ዓመት ጋር ሲነፃፀር በ33 በመቶ ጨምሯል። ለባንኩ ወጪ መጨመር ዋና ዋና ምክንያቶች የነበሩት የወለድ ወጪ ማደግ፣ ተጨማሪ የሠራተኞች ቅጥር፣ እና የአዳዲስ ቅርንጫፎች የቢሮ ኪራይ በዋናነት የሚጠቀሱ ናቸው። ዋና ዋና ወጪዎች በሠንጠረዥ 3 ላይ እንደሚከተለው ቀርበዋል።

ሠንጠረዥ 3: የ2021/22 በጀት ዓመት የወጪ ዝርዝር

ተ.ቁ.	የወጪ አይነት	መጠን (በሚሊዮን ብር)	በመቶኛ
1	ለወለድ ወጪ	421.8	40.2
2	ለሰራተኞች ደመወዝ እና ጥቅማጥቅም ወጪ	313.1	29.9
3	ለአስተዳደራዊ ወጪዎች	289.7	27.6
4	ለእርጅና ቅንስናሽ ወጪ	24.0	2.3
ጠቅላላ		1048.6	100.0

2.5 ትርፍ

በሂሳብ ዓመቱ ከታክስ በፊትና በኋላ የተገኘው ትርፍ በቅደም ተከተል ብር 472.8 ሚሊዮንና ብር 344.9 ሚሊዮን ነበር። ይህ የተጣራ ትርፍ ካለፈው ዓመት ጋር ሲነፃፀር በ27.1 በመቶ ዕድገት አሳይቷል። በመሆኑም አንድ አክሲዮን ያስገኘው ትርፍ ብር 282 ወይም 28.2 በመቶ ደርሷል።

3. የቅርንጫፍ ማስፋፋት ሥራ

በተጠናቀቀው ሂሳብ ዓመት ሃያ አንድ ተጨማሪ ቅርንጫፎች ተከፍተው አገልግሎት እየሰጡ ይገኛሉ። በዚህም መሰረት

በሂሳብ ዓመቱ መጨረሻ የቅርንጫፎች ብዛት አንድ መቶ አስራ ሁለት ደርሷል። ከተከፈቱት ሃያ አንድ ቅርንጫፎች ውስጥ አስራ ቅርንጫፎች በአዲስ አበባ እንዲሁም አስራ አንዱ በክልል ከተሞች የሚገኙ ናቸው።

4. የሰው ሀይል

እ.ኤ.አ. ሰኔ 30 ቀን 2022 ዓ.ም. የባንኩ ጠቅላላ ቋሚ እና የኮንትራት ሠራተኞች ቁጥር 976 እና 84 የደረሰ ሲሆን፣ የባንኩ ጥበቃና የፅዳት አገልግሎት ሳያካትት አጠቃላይ ሠራተኞች ቁጥር 1060 ደርሷል። በተጨማሪም በተጠናቀቀው ሂሳብ ዓመት የባንኩን ሠራተኞች ክህሎት ለማሳደግ ልዩ ልዩ የሙያ ሥልጠናዎች ተሰጥተዋል።

በሂሳብ ዓመቱ ለ2,939ተሳታፊዎች ስልጠና የተሰጠ ሲሆን፣ ለዚህም ብር 9.4 ሚሊዮን ወጪ ተደርጓል።

5. ኢንፎርሜሽን ቴክኖሎጂ

ባንኩ የደምበኞቹን ፍላጎት ለሚሟላትና በኢንዱስትሪው ውስጥ ያለውን ተወዳዳሪነት ለማሳደግ ዘመኑ ያፈራውን የቴክኖሎጂ አማራጮች ተግባራዊ እያደረገ ይገኛል። በዚህም መሰረት አዲስ የኮር ባንኪንግ ቴክኖሎጂ በመግዛትና አስፈላጊ ቅድመ ዝግጅቶችን በማጠናቀቅ ወደ ስራ ማስገባት ተችሏል። በተጨማሪም የባንኩን የቴክኖሎጂ ሲስተም ከፌደራል የሰነዶች ማረጋገጫና ምዝገባ ኤጀንሲ ጋር የማገናኘት ስራ ተከናውኗል።

6. ማህበራዊ ኃላፊነትን መወጣት

እ.ኤ.አ. በ2021/22 ዓ.ም. ባንኩ ድጋፍ ለሚያስፈልጋቸው በጎ አድራጎች ድርጅቶች፣ የማህበረሰብ ክፍሎች እና ሀገራዊ መርሐ-ግብሮች ላይ ማህበራዊ ኃላፊነትን ለመወጣት ተሳትፎ አድርጓል። ከነዚህም መካከል በሰሜን የሃገራችን ክፍል በቀጠለው ጦርነት ጉዳት ለደረሰባቸው ወገኖች ብር 3 ሚሊዮን፤ ለተሰፋ አዲስ የህጻናት ካንሰር ህመምን መረጃ ማስተካከል የብር 60 ሺ ድጋፍ እንዲሁም በገንዘብ አስተላላፊዎች ድርጅቶች በኩል የሚላኩ የውጭ ሀገራት ገንዘቦችን ደንበኞች በባንካችን በኩል ሲቀበሉ እና ሲመነገሩ ባንኩ ካገኘው ገቢ ላይ ብር 1.5 ሚሊዮን ለታላቁ ህዳሴ ግድብ በስጦታ በማበርከት በግድቡ ሥራ ላይ የራሱን አሻራ አኑሯል።

7. የወደፊት ተግባራት

ባንካችን በተጠናቀቀው የሂሳብ ዓመት ካለፈው ዓመት ጋር ሲነፃፀር አመርቂ የሥራ አፈፃፀም ነበረው። በተቀማጭ ገንዘብ፣ በካፒታል ዕድገት እና ትርፋማነት ከፍተኛ አፈጻጸም የታየበት ሲሆን ወደፊትም ትኩረት ተሰጥቶ የሚከናወናቸው ተግባራት ናቸው። የባንኩ ሠራተኞች እና የሥራ አመራሩ በግል እና በጋራ ያደረጉት ያላሰለሰ ጥረት ለዚህ ውጤታማ ጉዞ የበኩሉን አስተዋጽኦ አድርጓል። ይህ ተነሳሽነት ወደፊትም እንደሚቀጥል ያለኝን እምነት ለመግለፅ እውዳለሁ። በመጨረሻ ዓመት

የባንኩን ውጤታማ ጉዞ ማስቀጠል የደምበኞቹን ቁጥር ማሳደግ፣ በአዲሱ የኮር ባንኪንግ ሲስተም የደንበኞች አገልግሎት አሰጣጥ እና እርካታን ከፍ ማድረግ፣ የዲጅታል የባንክ አገልግሎቶችን ተግባራዊ ማድረግ፣ የሰው ሀይል ልማት ላይ በትኩረት መስራት፣ የባንኩን ካፒታል በከፍተኛ ሁኔታ ማሳደግ፣ የቅርንጫፍ ሥርጭትን መጨመር፣ የባንኩ የመዋቅር ጥናት በማጠናቀቅ ተግባራዊ ማድረግ እንዲሁም የዋና መስሪያ ቤት የሕንፃ ግንባታ ቦታ ከአዲስ አበባ መስተዳድር መረከብና ለግንባታ ስራ ቅድመ ዝግጅት ማድረግ ትኩረት የሚሰጣቸው ዋና ዋና ተግባራት ይሆናሉ።

8. የባንኩን ትርፍ አደላደል በተመለከተ የቀረበ የውሳኔ ሀሳብ

እ.ኤ.አ. ሰኔ 30 ቀን 2022 በተጠናቀቀው ሂሳብ ዓመት ባንኩ ያስመዘገበው የተጣራ ትርፍ ከታክስ በኋላ ብር 344.9 ሚሊዮን ሆኗል። በመሆኑም፣ ሕጋዊ መጠባበቂያ እና የዳይሬክተሮች ቦርድ አገላት የሥራ ዋጋ ክፍያ ከተቀነሰ በኋላ የባንኩ ባለአክሲዮኖች ባላቸው የተከፈለ አክሲዮኖች መጠን መሠረት እንዲከፈል የዳይሬክተሮች ቦርድ ለጠቅላላ ጉባኤው ሃሳብ ያቀርባል። የባንኩን ካፒታል የበለጠ ለማሳደግ ባለአክሲዮኖች ያገኛችሁትን ትርፍ በፈቃደኝነት ለተጨማሪ አክሲዮን መግዣ እንዲውል እንድትወሰኑ የዳይሬክተሮች ቦርድ በትህትና ይጠይቃል።

9. ምስጋና

በመጨረሻም በዳይሬክተሮች ቦርድና በራሴ ስም ድጋፍ ላደረገልን ለብሔራዊ ባንክ፣ የባንኩን ካፒታል ለማሳደግ አስተዋፅኦ ላደረጉ ባለአክሲዮኖች እና በኛ ላይ አመኔታ ጥለው አብረውን ለሚሰሩ ደምበኞች ሁሉ ይህን አጋጣሚ በመጠቀም ያለኝን አድናቆትና ምስጋና አገልግላሁ። በተጨማሪም ለዳይሬክተሮች ቦርድ አገላት፣ ለሥራ አመራሩና ለሁሉም የባንኩ ሠራተኞች ያጋጠሙ ተግዳሮቶች ሳይበግሯቸው አመርቂ ውጤት በማስመዝገባቸው ያለኝን ታላቅ አድናቆት ስገልፅ ደስታ ይሰማኛል።



TAY
Authorized Accountants and Auditors
ቲ.ኤ.ዋ.ይ. የተፈቀደላቸው የሂሳብ አዋቂዎች እና አዲተሮች

ለአዲስ አበባ ከተማ አስተዳደር ደንብ አ.ማ. ባለአክሲዮኖች የቀረበ የገለልተኛ አዲተሮች ሪፖርት

አስተያየት

እ.ኤ.አ ሰኔ 30 ቀን 2022 ለተጠናቀቀው የሂሳብ ዓመት በአዲስ አበባ ከተማ አስተዳደር ደንብ አክሲዮን ማህበር የተዘጋጀ የሂሳብ መግለጫዎችን ማለትም የሀብትና እዳ መግለጫ፣ የትርፍ ወይም ኪሳራ መግለጫ፣ የባለአክሲዮኖች ከፒታል ለውጥ መግለጫ፣ የገንዘብ ፍላጎት መግለጫ እና የባንኩን የሂሳብ አሰራር መርሆች ማጠቃለያ እና ሌሎች ከሂሳብ መግለጫዎቹ ጋር ተዛማጅ የሆኑ ማብራሪያዎችን መርምረናል።

በእኛ አስተያየት የሂሳብ መግለጫዎቹ አጠቃላይ ተቀባይነት ባላቸው የሂሳብ አያያዝ መርሆች መሰረት እ.ኤ.አ. ሰኔ 30 ቀን 2022 የነበረውን የባንኩን የሂሳብ አቋምና በዚያው እለት በተጠናቀቀው የሂሳብ ዘመን የተገኘውን አጠቃላይ ውጤት፣ የባለአክሲዮኖች የከፍተኛ ለውጥ፣ አና በዓመቱ የነበረውን የጥሬ ገንዘብ ፍላጎት የዓለምአቀፍ የሒሳብ መዝገብ አያያዝ መመዘኛዎች በርድ (አይ/ኤ/ኤስ/ቢ) ባወጣቸው ዓለምአቀፍ የፋይናንስ ሪፖርት መመዘኛዎች (አይ/ኤፍ/አር/ኤስ) መሠረት በትክክልና በተገቢው ሁኔታ ያሳያሉ።

የዳይሬክተሮች በርድ ሪፖርትን በሚመለከት በአዋጅ ቁጥር 1243/2021 በወጣው የንግድ ህግ አንቀጽ 349 መሰረት በእኛ በኩል የምንሰጠው የልዩነት አስተያየት የሌለን መሆኑን እየገለጻን የባለአክሲዮኖች ጠቅላላ ጉባኤ የቀረበውን የሂሳብ መግለጫ ሪፖርት እንዲያጸድቅ እንጠይቃለን።

የአስተያየታችን መሠረት

የአዲት ስራችንን ያከናወንነው በዓለምአቀፍ የአዲት መመዘኛዎች (አይ/ኤስ/ኤ) መሠረት ሲሆን በእነዚህ መመዘኛዎች ውስጥ የእኛ ኃላፊነት “የአዲተሮች ኃላፊነት” በተሰኘው አንቀጽ ሥር ይበልጥ ተብራርቷል። በተጨማሪም የአዲት ስራችንን ስናከናውን የዓለምአቀፍ የስነምግባር መመዘኛዎች በርድ፣ የፕሮጀክት አካውንታቶች የስነምግባር ደንብ (አይ/ኤ/ኤስ/ቢ/ኤ ኮድ) እንዲሁም በኢትዮጵያ ውስጥ የሂሳብ መግለጫዎችን አዲት ስለማድረግ እና ተያያዥ የሆኑ የስነምግባር መመዘኛዎችን፣ መሠረት አድርገን እንዲሁም ከኩባንያው ገለልተኛነታችንን በመጠበቅ ሁሉንም ስነምግባራዊ ኃላፊነቶቻችንን አሟልተናል። በኛ እምነት የሰበሰብናቸው የአዲት ማስረጃዎች አስተያየታችንን ለመስጠት በሚያስችል ሁኔታ በቂ እና ተገቢ ናቸው እንላለን።

ቁልፍ የአዲት ጉዳዮች

ቁልፍ የአዲት ጉዳዮች የሚባሉት ለእኛ ሙያዊ ውሳኔ እንዲሁም ለሂሳብ መግለጫዎች አዲት እጅግ ዋጋ ያላቸው ጉዳዮች ሲሆኑ እነዚህ ቁልፍ የአዲት ጉዳዮች በአጠቃላይ አዲታችን ውስጥ የተዳሰሱ ሆነው የኛም አስተያየት በእነዚህ ላይ የተመሠረተ ቢሆንም ስለእነዚህ ጉዳዮች ግን በዚህ ሪፖርት ውስጥ የተለየ አስተያየት አልሰጠንም።

ከሂሳብ መግለጫዎቹና ከገለልተኛ የአዲት ሪፖርት በተጨማሪ ስለቀረቡ ሌሎች መረጃዎች

በአዋጅ ቁጥር 1243/2021 በተሻሻለው የንግድ ህግ አንቀጽ 348 እና 349 ገለልተኛ አዲተሮች በዳይሬክትሮች በርድ ተዘጋጅቶ የቀረበውን አመታዊ ሪፖርት በሚመለከት፣ በባለአክሲዮኖች ጠቅላላ ጉባኤ ላይ በጽሁፍ አስተያየታቸውን እንዲሰጡ ያዘል።

የዳይሬክትሮች በርድ ሪፖርትን በሚመለከት ባንኩን በበላይነት የሚመሩት ሀላፊነት ነው። የዳይሬክትሮች ሪፖርት ባንኩ በሂሳብ ዘመኑ ያሳካውን ፋይናንሺያልና ፋይናንሺያል ያልሆኑ ክንፍዎችን የያዘ ሲሆን 199 ግን ሪፖርቱ የሂሳብ መግለጫዎችንና የኛን የአዲት ሪፖርት አይጨምርም። የዳይሬክትሮች ሪፖርት ይህንን የአዲት ከፈረምንበት ቀን አስቀድመን ተቀብለን አንብባለን።



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በሂሳብ መግለጫዎቹ ላይ የሰጠው የአዲት አስተያየታችን የዳይሬክተሮች ቦርድ ሪፖርትን አያጠቃልልም። በተጨማሪም በዳይሬክተሮች ቦርድ ሪፖርት ላይ የሰጠውም ሆነ የምንሰጠው የማረጋገጫ አስተያየት አይኖረንም።

የሂሳብ መግለጫዎቹ ላይ ካከናወነው የአዲት ስራችን ጋር በተያያዘ ፡ የኛ ሃላፊነት የነበረው የዳይሬክተሮችን ሪፖርት አንብቦ ሪፖርቱ ከሂሳብ መግለጫዎቹ ወይም በአዲት ስራችን ወቅት ካገኘነው ግንዛቤ ወይም በሌላ አንጻር የጎላ ልዩነት ያለው መሆኑን መገምገም ነው።

ነገር ግን የዳይሬክተሮች ቦርድ ሪፖርት የጎላ ግድፈት ያለው መሆኑን የሚያረጋግጥ ድምዳሜ ላይ ከደረሰን ይህንኑ ግድፈት ሪፖርት የማድረግ ሀላፊነት አለብን። በዚህ ረገድ ሪፖርት የምናደርገው የልዩነት አስተያየት የለንም።

በሒሳብ መግለጫዎቹ አዘገጃጀት የሥራ አመራሮች ኃላፊነት

የባንኩ የሥራ አመራሮች ከዓለምአቀፍ የሒሳብ መዝገብ አያያዝ መመዘኛዎች ቦርድ በተሰጠው የዓለምአቀፍ የፋይናንስ ሪፖርት መመዘኛዎች መሠረት የሒሳብ መግለጫዎችን የማዘጋጀት እና በትክክል የማቅረብ ሃላፊነት ያለባቸው ሲሆን፣ ይህም በሥራ አመራሩ በሚዘረጋ የውስጥ ቁጥጥር የሂሳብ መግለጫዎቹ ከመጨረሻቸው ሆነ ከስህተት የጠፋ መሆናቸውን ማረጋገጥን ይጨምራል።

የሒሳብ መግለጫዎችን ዝግጅት በተመለከተ፣ ሥራ አመራሮች የኩባንያውን ቀጣይነት በማምገም፣ የኩባንያው የሂሳብ መዘግብትም ይህንኑ ቀጣይነት በሚያሳይ መንገድ መዘጋጀታቸውን የማረጋገጥ ኃላፊነት አለባቸው።

የሒሳብ መግለጫዎች አዲትን በሚመለከት የአዲተር ኃላፊነት

የእኛ ኃላፊነት የኩባንያውን የሒሳብ መግለጫ በአጠቃላይ በማጠቃለያ ሆነ በስህተት ከሚመጣ ከይዘት መዘባት የጸዳ ስለመሆኑ አሳማኝ ማረጋገጫ ማግኘት፣ እንዲሁም የእኛን አስተያየት ጨምሮ የአዲተር ሪፖርት መስጠት ነው። በአይ/ኤስ/ኤዎች መሠረት የተሠራ አዲት ከፍተኛ የሆነ ማረጋገጫ ቢሰጥም መዘባቶችን ሁሉ ያገኛል ማለት አይደለም። መዘባቶች የሚከሰቱት በማጠቃለያ ወይም በስህተት ሊሆን ይችላል።

የአዲት ምርመራው በአይ/ኤስ/ኤስ መሠረት ሲከናወን፣ በአዲት ተግባሩ ውስጥ ሁሉ ሙያዊ ውሳኔዎችን እየተጠቀምን ሙያዊ ጥርጣሬዎችንም ተጠቅመናል። ደግሞም፡

- ከመጨረሻቸው ሆነ ከስህተት የመጣ የገንዘብ ነክ መግለጫዎች መሠረታዊ መዘባት ስለመኖሩ አደጋዎችን ላይተን በመዳሰስ፣ ለእነዚህ አደጋዎች ምላሽ የሚሆን አካሄድ ቀርጾን አዲት ያደረግን ሲሆን፣ ለአስተያየታችን መሠረት የሚሆን ተገቢ የሆነ መግለጫ የሚያስገኝ በቂ የሆነ የአዲት ማስረጃ ነበረን። ማጠቃለያ ሲፈጸም መመሰጠር፣ ማታለያ መጠቀም፣ ሆን ብሎ ማጉደል፣ የተሳሳተ አመዘጋገብ ወይም የውስጥ ቁጥጥርን መጣስ ሊኖርበት የሚችል በመሆኑ፣ አደጋው ከስህተት ይልቅ በማጠቃለያ የሚከሰት የይዘት መዘባት ሳይታይ ሊታለፍ መቻሉ ነው።
- ተገቢ የሆኑ አዲት አካሄዶችን ለመቅረጽ ሲባል ከአዲቱ ጋር ተዛማጅ የሆኑ የውስጥ ቁጥጥር ግንዛቤ ያገኘን ቢሆንም፣ ይህ ግን የኩባንያውን የውስጥ ቁጥጥር ውጤታማነትን በሚመለከት አስተያየት ለማንጸባረቅ አይደለም።
- ጥቅም ላይ የዋሉን የሒሳብ መዝገብ አያያዝ ፖሊሲዎች ተገቢነት እንዲሁም የሒሳብ መዝገብ አያያዝ ግምቶች አሳማኝነት እና ተዛማጅ የሆኑ በሥራ አመራሮች የተሰጡ መግለጫዎችን መመዘን፤
- የንግድ ሥራውን ሊደት የሒሳብ መዝገብ አያያዝ አባል አድርጎ ሥራ አመራሩ መጠቀሙ ተገቢ ስለመሆኑ፣ በቀረቡልን የአዲት ማስረጃዎች ላይ፣ ከክስተቶቹ ወይም ሁኔታዎቹ ጋር ተያያዥ የሆነ መሠረታዊ የማይጠበቅ ነገር ኖሮ ባንኩ በቀጣይነት የንግድ ሥራውን እያከናወነ እንዳይቀጥል ጥርጣሬ ሊፈጥሩ የሚችሉ ስለመሆናቸው ድምዳሜ ላይ ለመድረስ ነው። መሠረታዊ የሆነ ያልተጠበቀ ነገር እንዳለ

ከደመደምን፣ ለሚመለከተው የሒሳብ መግለጫ ይዘቶች በእኛ የአዲተር ሪፖርት ውስጥ ትኩረት እዲደረግበት ማድረግ ወይም፣ ምናልባት ይህን መግለጫ መስጠት ብቻ የማይበቃ ቢሆን፣ አስተያየታችንን ማስተካከል ይጠበቅብናል። ወደፊት የሚያጋጥሙ ሁኔታዎች ወይም ክስተቶች ታሳቢ ሳይደረጉ የእኛ ድምዳሜዎች መሠረታቸውን የሚያደርጉት የአዲት ሪፖርት እስከተዘጋጀበት ዕለት ድረስ በተገኙት የአዲት ማስረጃዎች ላይ ነው።

- የሒሳብ መግለጫዎችን አቀራረብ፣ አወቃቀር እና ይዘት መገምገም፤ እና እነዚህ መግለጫዎች መሠረታዊ ግብይቶችን እና ክስተቶችን የሚያሳዩ እና ትክክለኛ መግለጫዎች መሆናቸውን መመዘን፤

ከሌሎች ጉዳዮች በተጨማሪ፣ አዲቱን እና ጠቃሚ የአዲት ግኝቶችን የታወቀ አድማስ እንዲሁም የጊዜ ሰሌዳ፣ ማናቸውንም በአዲት ሥራችን ወቅት ያገኘናቸውን የጎሉ የውስጥ ቁጥጥር ጉድለቶችን ጨምሮ በሚመለከት የአመራር ኃላፊነት ላለባቸው እናሳውቃለን።

በተጨማሪም፣ ተዛማጅ የሆኑ ስለገለልተኝነት የተቀመጡ የስነምግባር ቅድመ-ሁኔታዎችን በማጠናቀር ስናቀርብ፣ ገለልተኛነታችን የሚያስርዱ ማረጋገጫዎችን እና ሌሎች ጉዳዮችን እንዲሁም አስፈላጊ ሆኖ ሲገኙ መከላከያዎቻችንን የማየትና የመመርመር ህጋዊ መብት ለተሰጣቸው አካላት እናሳውቃለን፤

ኩባንያውን የማስተዳደር ኃላፊነት ላላቸው አካላት ከምናሳውቀው የአዲት ጉዳዮች ውስጥ፣ በነባራዊው የአዲት ስራችን ወቅት እጅግ ላቅ ያለ ተጽኖ ያላቸው ጉዳዮችን በመወሰን የአዲቱ ቁልፍ ጉዳይ እናደርጋለን። እነዚህንም ቁልፍ የአዲት ጉዳዮች በሪፖርታችን ውስጥ የምንገልጽ ሆኖ ነገር


ግን በሕግ ወይም በመመሪያዎች እነዚህን ቁልፍ ጉዳዮች ይፋ ማድረግ የሚከለክል እስካልሆነ ድረስ፣ በተወሰኑ ሁኔታዎች አንድንገልጽ ካልተደነገገበቀር፣ ጉዳዮቹን ይፋ ማድረግ ከሚያስገኘው ጥቅም ይልቅ ጉዳቱ የሚያመዝን ይሆናል ብለን ካመንን መታወቅ የለባቸውም ብለን እንወስናለን።

ሌሎች በሕግ የሚጠበቁብን ሪፖርት የማቅረብ ሁኔታዎች

በአዋጅ ቁጥር 1243/2021 በተሻሻለው የንግድ ህግ አንቀጽ 349 ቁጥር 3 ላይ ገለልተኛ አዲተሮች የዳይሬክተሮች ቦርድ የዘመኑን ትርፍ ክፍፍል በተመለከተ ባቀረበው ሃሳብ ላይ አስተያየት እንድንሰጥ ያዘል።

የባንኩ የዳይሬክተሮች ቦርድ በአመታዊ ሪፖርታቸው ብር 344.9 ሚሊዮን ለባለ አከሲዮኖች እንዲከፋፈል ሃሳብ አቅርቧል። በኛ በኩል ለትርፍ ክፍፍል የተመደበው ገንዘብ ባንኩ በሂሳብ ዘመኑ ከትርፍ ግብርና ሕጋዊው መጠባበቂያ ከተቀነሰ በሕዋላ ከተመዘገበው የተጣራ ትርፍ እስካልበለጠ ድረስ የተቃውሞ ሃሳብ የለንም።

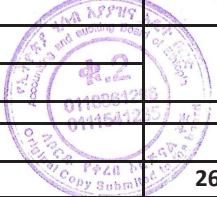
ይህን አዲት በበላይነት የመራው ከፍተኛ ባለሙያ አቶ ተስፋ ታደሰ ነው።


 ቲ. ኤ. ዋይ የተፈቀደላቸው
 የሒሳብ አዋቂዎች እና አዲተሮች



አዲስ አበባ ከተማ አስተዳደር የገንዘብ አገልግሎት ቢሮ
 የትርፍ ወይም ኪሳራ እና ሌሎች የተጣመሩ ገቢዎች መግለጫ
 እ.ኤ.አ ሰኔ 30 2022 ለተጠናቀቀው የሂሳብ ዘመን

	ግስታወሻ	በሰኔ 30፣	በሰኔ 30፣
		2022	2021
		ብር “000	ብር “000
የወለድ ገቢ	5	822,682	657,723
የወለድ ወጪ	6	(421,758)	(358,765)
የተጣራ የወለድ ገቢ		400,924	298,958
የክፍያ እና የኮሚሽን ገቢ	7	425,833	370,444
የክፍያ እና የኮሚሽን ወጪ	7	(5,956)	(7,005)
የተጣራ የክፍያ እና የኮሚሽን ገቢ		419,877	363,439
ከውጭ ምንዛሪ ግብይት ላይ የተገኘ የተጣራ ገቢ	10	203,622	117,662
ከሌሎች የአገልግሎት ክፍያ የተገኙ ገቢዎች	8	69,276	10,583
ጠቅላላ የእንቅስቃሴ (አገልግሎት) ገቢ		1,093,700	790,641
ለደንበኞች የተሰጡ አጠራጣሪ ብድሮች መጠባበቂያ ክፍያ	9	(62,121)	(8,302)
ለሌሎች መጠባበቂያ ክፍያ	9	(128)	(9,045)
የተጣራ የእንቅስቃሴ (አገልግሎት) ገቢ		1,031,451	773,294
የሠራተኞች ደመወዝ እና ጥቅም ጥቅም ክፍያዎች	11	(313,104)	(229,423)
የሊዝ እዳ ላይ ወለድ ወጪ		(2,117)	(4,075)
የማይዳሰሱ ሐብቶች የእርጅና ቅንስናሽ	18	(2,699)	(2,603)
የኢንቨስትመንት ንብረቶች የእርጅና ቅንስናሽ	19	(42)	(42)
ቋሚ ንብረት እና የመሣሪያዎች የእርጅና ቅንስናሽ	20	(21,234)	(22,317)
ለሌሎች ወጪዎች	12	(217,698)	(144,358)
የሒሳብ ምርምራ አገልግሎት ክፍያ		(353)	(266)
የዳይሬክተሮች አበል		(1,360)	(1,400)
ትርፍ ከግብር በፊት		472,845	368,812
የገቢ ግብር	13	(127,986)	(97,574)
ትርፍ ከግብር በኋላ		344,859	271,238
ሌሎች የተጣመሩ ወጪዎች (Other Comprehensive Income) ከግብር በፊት	23		
በተቀመጡት የጥቅም ዕቅዶች የተገኙ ገቢዎች (ወጪዎች) ድጋሚ ልኬት (ከ ግብር ውጭ)			
Re-measurement gains/(loss) on defined benefit plans (net of tax)		(2,638)	(3,544)
በአክሲዮን ኢንቨስትመንት ላይ የጥቅም ዕቅዶች የተገኙ ገቢዎች (ወጪዎች) ድጋሚ ልኬት (ከ ግብር ውጭ)		-	-
Gain/ Loss on revaluation of Equity investments		106,347	1,442
በተቀመጡት የጥቅም ዕቅዶች የተገኙ ገቢዎች (ወጪዎች) ድጋሚ ልኬት (ከ ግብር ውጭ) ላይ ወደ ፊት የሚሰበሰብ/የሚከፈል የትርፍ ግብር (Deffered tax Asset/liability)		(31,113)	631
የዓመቱ ድምር የተጣመረ ገቢ፣ ከግብር በኋላ		72,596	(1,471)
(Total comprehensive income for the year, net of tax)			
ለባለአክሲዮኖች የሚከፈል ትርፍ		417,456	269,767
የአንድ ባለ ብር 1000 አክሲዮን የትርፍ ድርሻ (EPS)	26	28	25



አዲስ አበባ ከተማ አስተዳደር የገንዘብ አገልግሎት ቢሮ
የሀብትና ዕዳ መግለጫ
ኢ.ኤ.አ ሰኔ 30 2022

	ማስታወሻ	በሰኔ 30፣ 2022	በሰኔ 30፣ 2021
		ብር "000	ብር "000
ሐብቶች			
በባንክና በእጅ የሚገኝ ጥሬ ገንዘብ	14	2,234,709	1,855,654
የደንበኞች ብድር እና ቅድመ ክፍያ (የተጣራ)	15	6,026,104	4,492,957
የአክሲዮን ኢንቨስትመንት	16a	195,500	59,782
የብሔራዊ ባንክ ቢል ኢንቨስትመንት	16a	705,929	862,456
ሌሎች ሐብቶች	17	1,253,278	1,301,496
የኢንቨስትመንት ንብረት - ሀንጻ	19	85,373	5,547
የማይዳሰሱ ሐብቶች	18	1,801	1,843
ቋሚ ንብረት እና መሣሪያ (የተጣራ)	20	198,836	121,711
ለሸያጭ የተዘጋጀ የማይንቀሳቀስ ሐብት	16b	<u>86,774</u>	<u>171,756</u>
ጠቅላላ ሐብት		10,788,305	8,873,202
ዕዳዎች			
የደንበኞች ተቀማጭ ሂሳብ	21	7,749,071	6,281,414
ሌሎች እዳዎች	13	644,710	818,787
ለሰራተኞች የወደፊት ጥቅማጥቅ ክፍያ መጠባበቅያ	23	23,646	16,912
ሌሎች እዳዎች መጠባበቂያ	24	25,907	23,901
የዚህ አመት ተከፋይ የገቢ ግብር	13c	128,793	97,199
ወደፊት የሚከፈል የትርፍ ግብር (Deferred tax liability)	13a	<u>43,033</u>	<u>12,918</u>
ጠቅላላ ዕዳ		8,615,160	7,251,131
የተጣራ ሐብት			
የተከፈለ አክሲዮን ካፒታል	25	1,443,544	1,107,529
ተጨማሪ የአክሲዮን ክፍያ (Share premium)	25	-	-
ያልተከፈለ ትርፍ	27	266,274	193,796
የሌሎች የተጣመሩ ገቢዎች /ወጪዎች (Other Comprehensive Income)	28	91,214	18,428
ሕጋዊ መጠባበቂያ	29	354,205	267,990
ሌሎች መጠባበቂያዎች	30	<u>17,909</u>	<u>34,328</u>
ጠቅላላ የተጣራ ሐብት		<u>2,173,145</u>	<u>1,622,071</u>
ጠቅላላ የተጣራ ሐብት እና ዕዳ		<u>10,788,305</u>	<u>8,873,202</u>

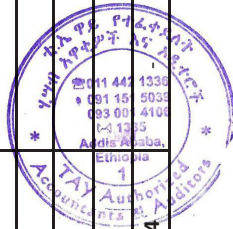
የሂሳብ መግለጫዎችን ኢ.ኤ.አ መስከረም 30, 2022 በባንኩ የዳይሬክተሮች ቦርድ ጸድቀዋል፡

አቶ ካሳሁን በቀለ
የዳይሬክተሮች ቦርድ ሊቀመንበር



አዲስ አበባ ከተማ አስተዳደር የግንባታ ልማት ቢሮ የግንባታ ልማት ስራ ለውጥ መግለጫ፣
እ.ኤ.አ. በሰኔ 30፣ 2022 ለተጠናቀቀው የሂሳብ ዘመን

	የተከፈለ የአክሲዮን ካፒታል	ተጨማሪ የአክሲዮን ክፍያ (Share premium)	ያልተከፈለ ትርፍ	ሌሎች የተጣመሩ ገቢዎች	ሕጋዊ መጠባበቂያ	በብሔራዊ ግንኙነት መጠባበቂያ	ጅምር
	ብር"000	ብር"000	ብር"000	ብር"001	ብር"000	ብር"000	ብር"000
የቀደመ አመት ሂሳብ ማስተካከያ							
እ.ኤ.አ. ሐምሌ 1፣ 2021	1,107,529	-	193,796	18,617	267,990	34,329	1,622,261
የቀደመ አመት ሂሳብ ማስተካከያ			(8,791)				(8,791)
ተጨማሪ አክሲዮን ሽያጭ	336,015						336,015
ከትርፍ ድርሻ የዞረ							-
ለሽያጭ የተዘጋጀ							-
የዘመኑ ትርፍ			344,859				344,859
ሌሎች የተጣመሩ ገቢዎች							-
በተቀመጡት የጥቅም ዕቅዶች የተገኙ ገቢዎች (ውጭዎች) ድጋሚ ልኬት (ከ ግብር ውጭ)				72,596			72,596
ጠቅላላ ሌሎች የተጣመሩ ገቢዎች			336,068	72,596			408,665
ወደሕጋዊ መጠባበቂያ የተላለፈ			(86,215)		86,215		-
ወደሌሎች የሪሲክ መጠባበቂያዎች የተላለፈ			16,421			(16,421)	-
የተከፈለ ድርሻ			(193,796)				(193,796)
እ.ኤ.አ. ሰኔ 30፣ 2022	1,443,544		266,274	91,214	354,205	17,909	2,173,145



አዲስ አበባ ከተማ አስተዳደር የግብርና ቢሮ
የገንዘብ ፍላጎት መግለጫ
እ.ኤ.አ. በሰኔ 30፣ 2022 ለተጠናቀቀው የሂሳብ ዓመት

	ማጣቀሻ	በሰኔ 30፣ 2022 ብር "000	በሰኔ 30፣ 2021 ብር "000
ከሥራ እንቅስቃሴዎች የታየ የጥሬ ገንዘብ ፍላጎት			
ከሥራ እንቅስቃሴዎች የተገኘ የጥሬ ገንዘብ ፍላጎት	31	(4,591)	178,669
በዓመት ውስጥ የተሰበሰበ ወለድ		802,061	657,755
በዓመት ውስጥ የተከፈለ ወለድ		(421,758)	(358,765)
የተከፈለ ጥቅማጥቅም		(823)	(507)
የተከፈለ የትርፍ ግብር		(97,199)	(61,815)
ከሥራ እንቅስቃሴዎች የተገኘ የተጣራ የጥሬ ገንዘብ ፍላጎት		277,690	415,336
ከመዋዕለ ንዋይ ፍላጎት እንቅስቃሴዎች የተገኘ የጥሬ ገንዘብ ፍላጎት			
የቋሚ ንብረቶች ግዢ	20	177,158	(31.95)
የብሔራዊ ባንክ ቢል ኢንቨስትመንት (ጭማሪ) ቅናሽ	16	(82,512)	(82.17)
የማይዳሰሱ ንብረቶች ግዢ	18	(29,371)	(1,501.00)
ለኢንቨስትመንት ነክ ንብረቶች ግዢ		(97,321)	(36,554.87)
ከመዋዕለ ንዋይ ፍላጎት እንቅስቃሴዎች የተገኘ የተጣራ የጥሬ ገንዘብ ፍላጎት		(32,046)	(38,170)
ከገንዘብ ነክ እንቅስቃሴዎች የተገኘ የገንዘብ ፍላጎት			
የተሸጡ መደበኛ አክሲዮኖች	25	(210,000)	(83,000)
የተከፋፈሉ ድርሻዎች		336,015	141,154
በብሔራዊ ባንክ ያለ ገንዘብ	14	(202,587)	(145,186)
ከገንዘብ ነክ እንቅስቃሴዎች የተገኘ የተጣራ የገንዘብ ፍላጎት		(76,572)	(87,032)
በጥሬ ገንዘብ እና የጥሬ ገንዘብ እኩያዎች የታየ ልዩነት		169,072	290,134
በዓመቱ መጀመሪያ ላይ የነበረ ጥሬ ገንዘብ እና የጥሬ ገንዘብ እኩያ	14	1,855,729	1,245,595
በዓመቱ ማብቂያ ላይ የታየ የጥሬ ገንዘብ ሚዛን	14	1,704,709	1,535,729
በብሔራዊ ባንክ የተቀማጭ ገንዘብ መጠባበቂያ		530,000	320,000
ጠቅላላ ጥሬ ገንዘብ ሚዛን		2,234,709	1,855,729



ADDIS INTERNATIONAL BANK S.C. CITY BRANCHES

S.NO	BRANCH	TELEPHONE NUMBER	FAX	P.O.BOX
1	Main	011 5570501/ 011 5570502	011 5549775	2455
2	Bole	011 5570691/ 011 5570570	011 5570574	2455
3	Sebategna	011 2760955/ 011 2761717	011 2780510	2455
4	Megenagna	011 6189369/ 011 6189371	011 6189429	2455
5	Mehal Merkato	011 2784945/ 011 2784471	011 2784972	2455
6	Mekanissa	011 3210120/ 011 3210080	011 3210199	2455
7	Sefereselam	011 2750033/ 011 2750333	011 2750022	2455
8	Somale Tera	011 1264020/ 011 1264023	011 1264024	2455
9	Saris	011 4707018/ 011 4707048	011 4707031	2455
10	Arat killo	011 1558619/ 011 1117788	011 1580575	2455
11	Gandi	011 5580528/ 011 5580532	011 5580504	2455
12	Stadium	011 5508057/011 5545691	011 5538887	2455
13	Bole Medhaniale	011 6670386 /011 6670381	011 6670390	2455
14	Gurdsholla	011 6676832 /011 6676829	011 6676870	2455
15	Lamberet	011 6452555 /011 6676867	011 6676867	2455
16	Nifas Silk	011 4707525		2455
17	Dubai Tera	011 2732342 /011 2732319		2455
18	Lideta	011 5576882 /011 5576845	011 5576785	2455
19	Yerer Goro	011 6677055 /011 6676981	011 6677052	2455
20	Mexico	011 5573154 /011 5573217	011 5573212	2455
21	Akaki	011 4716337 /011 4716395	011 4716354	2455
22	Addisu Gebeya	011 1268393 /011 1268388	011 1268424	2455
23	Ayat Adebabay	011 6390403 /011 6390400	011 6390394	2455
24	Meskel Flower	011 4702405 /011 4701353	011 4702509	2455
25	Addisu Mikael	011 2734657 /011 2734654	011 2734643	2455
26	Kera	011 4702499 /011 4701298	011 4702646	2455
27	Gerji	011 6394349 /011 6395822	011 6394867	2455
28	Kality	011 4715210 /011 4715150	011 4716850	2455
29	Gerji Mebrat Hail	011 6676285 /011 6676308	011 6676038	2455
30	Goma Tera	011 2316071 /011 2316005	011 2789084	2455
31	Beklo Bet	011 4704028 /011 4705119	011 4704028	2455
32	Africa Avenue	011 6161614 /011 6160018	011 6160777	2455
33	Gulele	011 2737609 /011 2737767		2455
34	Bole Michael	011 6392913/ 011 6393670	011 6393408	2455
35	Meriloqe	011 6676331/011 6676143	011 6676255	2455
36	Merab Merkato	0112733106/0112733107	0112733105	2455
37	Senga Tera	011 5574178/ 011 5575138	011 5574159	2455
38	Bethel	011 3697159/ 011 3697829	011 3697283	2455
39	Ayertena	011 3694432/ 011 3694435	011 369 44 34	2455
40	Adey Abeba Stadium	0116 35 82 73/0116 35 82 23	011 6358273	2455
41	Akaki Gebeya	0114 715247/ 0114 715418		2455
42	Urael	0115 578098/ 0115 577916	0115 578849	2455
43	Kebena	0111 545564/ 0111 543100	0111 544236	2455
44	Tewodros Adebabay	0111 263698/ 0111 262083	0111 262154	2455
45	Shola Gebeya	0116 589908/ 0116 588144	0116 588826	2455
46	Figa	0116 683248/ 0116 661226	0116 661729	2455
47	Kotebe	0116 734026/ 0116 733904	0116 676002	2455
48	Yeka	0116 683522/ 0116 660107	0116 683275	2455
49	Hana Mariam	0114 711425/ 0114 711427	0114 711429	2455
50	Shiro Meda	0111 545876/ 0111 545878	0111 545879	2455
51	Wollo Sefer	0115 574279/ 0115 575698	0115 574799	2455
52	Piassa	0111 265471/ 0111 265474	0111 265475	2455
53	Lebu Mebrat	0114 711217/ 0114 711216	0114 711219	2455
54	Lafto	0114 711497/0114 711499	0114 711495	2455
55	Jemo	0114 625995/ 0114 625613	0114 625705	2455
56	Ehil Berenda	0112 735370/ 0112 734712	0112 735178	2455
57	Kolfe Atena Tera	0112 73 9657/ 0112 739829	0112 739778	2455
58	Bulbula	0114 714418/0114 714860	0114 714334	2455
59	wuha limat	0114 71 43 34/ 0114 71 4418		2455
60	Bisrate Gebriel	0113 69 25 76 /011 3 69 2576		2455
61	Teklehaymanot	0118 27 60 04/ 0118 88 6242		2455
62	Gotera	0114 709371/0114 709214	0114 709335	2455
63	Lem hayahulet	0118 27 60 16/ 0118 27 60 34		2455
64	Gofa	0114 70 21 44/ 0114 70 27 25		
65	Kality Gebriel	0 11 4 72 06 46/ 0 11 4 72 05 14		
66	Karalo	0 11 8 55 38 65 / 0 11 8 55 38		
67	Balderas	011 6 66 22 83 / 0116687986		

Outlying Branches

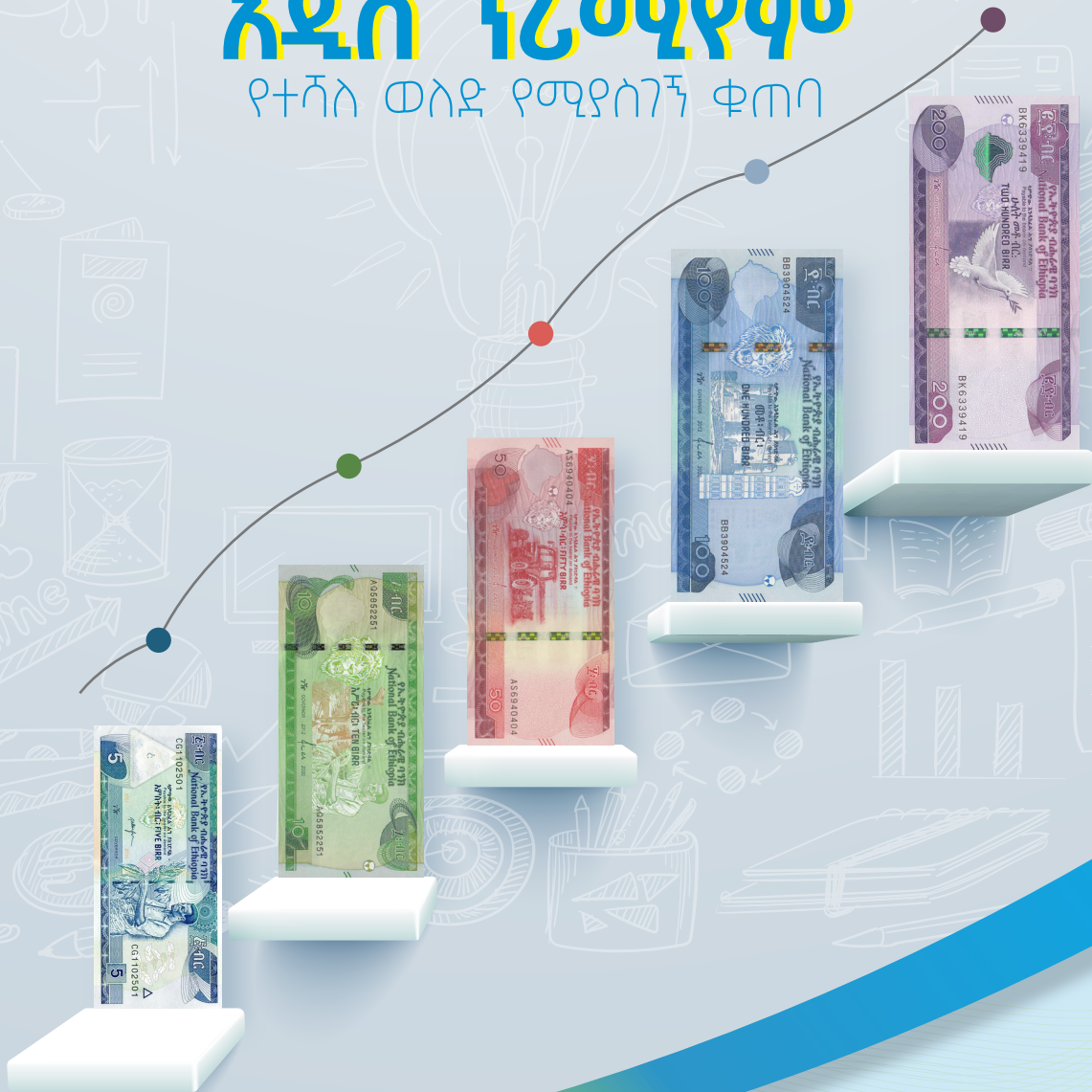
S.NO	BRANCH	TELEPHONE NUMBER	FAX	P.O.BOX
1	Furi	011 3679199 /011 3679188	011 3679189	2455
2	Hawassa	046 2208076 /046 2205075	046 2212386	2185
3	Adama	022 1112306 /022 1112301	022 1112314	1609
4	Mekelle	034 4415527 /034 4408175	034 4416289	899
5	Gonder	058 1110237 /058 1115503	058 1111519	805
6	Shashemene	046 2115053 /046 2115040	046 2115005	1087
7	Dilla	046 3313532 /046 3313673	046 3311032	197
8	Metema	058 8269011		66
9	Bahirdar	058 2206850 /058 2206860	058 2206890	1872
10	Hossana	046 1780152 /046 1780153	046 1780151	13
11	Dessie	033 3110091 /033 3110070	033 3130097	433
12	Fasiledes	058 2110226 /058 2110223	058 2110198	805
13	Alem Gena	011 3801093 /011 3801048	011 3801092	2455
14	Alamura	046 2129230 /046 2128336	046 2129155	2185
15	Assella	022 2381785 /022 2383632	022 2382225	143
16	Dire Dawa	025 4113944 /025 4114418	025 4114670	2776
17	Bishoftu	011 4302218 /011 4308495	011 430 22 18	1620
18	Debre Markos	058 1785045 /058 1789539	058 1789812	122
19	Dembela	022 2117947 /022 2119050	022 2118165	
20	Tana	058 3206202 /058 3206203	0583206204	1872
21	Debre Birhan	011 6376894/011 637 60 31	011 637 63 07	9
22	Welayta Sodo	0461809517/0461803360	0461803221	435
23	Shire	034 2445927/034 2442508	034 2440587	243
24	Jiggiga	025 2784841/ 025 2789089	025 2788968	
25	Arbaminch	046 1817074		
26	Jimma	0472117451/0472117024	0472117726	
27	Balero	022 2448162/022 2442336		
28	Hummera	034 2485094/ 034 2488639	034 2486485	
29	Enkodo (Mekelle 2nd)	034 2419344/ 034 24115617	034 2417402	
30	Injibara	058 2271623/ 058 2271537	058 2271560	
31	Mizan Aman	047 1350191/ 047 1359869	047 1356280	
32	Sabian (Diredawa 2nd)	025 4117068/ 025 4119042	025 4115103	
33	Mugad (Dessie 2nd)	033 3125231/ 033 3125232	033 3125233	
34	Gion (Bahirdar 3rd)	058 3208690/ 058 3205876	058 3207767	
35	Kombolcha	033 3 51 09 68/033 3 51 72 09		
36	Wolkite	0113 65 82 36/0113 65 83 38	011 3 65 85 63	
37	Abaymado	0 58 3 21 72 90/0 58 3 21 05 43		
38	Boset	022 2 12 87 73/022 2 12 83 72	022 2 12 90 51	
39	Sebeta	011 3 66 24 15/0 11 3 66 24 43		
40	Arerti	022 2 23 07 56 /022 2 23 07 54		
41	Tebassie	011 8 72 23 00/011 8 72 22 98		
42	Hawassa Menaheria	011 46 2 12 07 25 /46 2 12 09 65		
43	Modjo	022 2367032 /022 2236938		
44	Zenbaba	058 3209574/ 058 3209761		
45	Bure	058 7741756/ 058 7741644		
46	Finoteselam	058 7752367/ 058 7750247		
47	Maraki	058 2110820		
48	Debre Tabor	058 2110820/ 058 2110820		
49	Meki	022 1182051/ 022 1181743		
50	Chagni	058 2252763		
51	Agaro	047 2214666/ 047 2212507		
52	Gombora	046 1782618/ 046 1786426		
53	Halaba	046 5562304/ 046 5562181		
54	Bonga	047 3312723/ 047 33112692		



አዲስ አ.ንተርናሽናል ባንክ አ.ማ.
ADDIS INTERNATIONAL BANK S.C.

አዲስ ፕሪሚየም

የተሻለ ወለድ የሚያስገኝ ቁጠባ



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