ADDIS INTERNATIONAL CONVENTION CENTER
Share Company

INDEPENDENT AUDITORS' REPORT AND THE IFRS BASED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 07-JULY-2026

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የተፈቀደላቸው ኦዲተሮች (በኢትዮጵያ)

ERSODA Audit Service LLP
Chartered Certified Accountants (UK)
Authorized Auditors (Ethiopia)

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ADDIS INTERNATIONAL CONVENTION CENTER S.Co.
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 07 JULY 2026

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AICC
ADDIS INTERNATIONAL CONVENTION CENTER SHARE COMPANY

ADDIS INTERNATIONAL CONVENTION CENTER S.Co.
DIRECTORS, PROFESSIONAL ADVISORS AND REGISTERED OFFICE
FOR THE YEAR ENDED 7 JULY 2026

ADDIS INTERNATIONAL CONVENTION CENTER S.Co.

Address

Lemi Kua Sub City, Woreda 13, House No. New, CMC in front of Tsehay Real Estate, Addis Ababa , Ethiopia.
Telephone:- +251 93 029 3928/+251 91277 0778
Fax: +251-116 670 072
E- Mail: info@aicc.et
Website: Addis International Convention Center

Directors *(as of 30 Sene, 2026)*

		Date of appointment
Ato Damtew Alemayehu	Chairman	*7/4/2016 EC*
Ato Tilahun Worku	Board member	*19/9/2014 EC*
Ato Mehamed Nuresani	Board member	*27/3/2007 EC*
Ato Tsegaye Kemsi	Board member	*16/4/2008 EC*
Ato Girma Seifu	Board member	*7/4/2016 EC*
W/ro Hadra Gebru	Board member	*7/4/2016 EC*
Eng Lulseged Beyene	Board member	*7/4/2016 EC*
Ato Admasu Arefecho	Board member	*20/07/2017 E.C*
Ato Lemma Yedacha	Board member	*7/4/2016 EC*
Ato H/Eyesus Bekele	Board member	*7/4/2016 EC*

Executive Management

Ato Sisay Gemechu	General Manager	20/10/2016 E.C
Ato Dereje kasa	Chief Event and Operations Mangement Officer	18/11/2017 E.C
Ato Kirubel Kefyalew	Chief Marketing Officer	18/11/2017 E.C
W/ro Mesekerem Yirga	Finance Director	1/1/2017 E.C
Ato Ayalew Abey	Special Advisor to CEO	1/1/2017 E.C

Independent auditor

ERSODA Audit Service LLP
Chartered Certified Accountants (UK)
Certified Auditors (Ethiopia)
Addis Ababa, Ethiopia
Megenanga, Rahem Bldg 4th -02
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Website: www.ersodafinance.com

Principal bankers

Awash Bank
Bank of Abyssinia
Dashen Bank
Commercial Bank of Ethiopia
United Bank
Wegagan Bank
NIB Bank
Abay Bank
Siket Bank

ADDIS INTERNATIONAL CONVENTION CENTER S.Co.

STATEMENT OF MANAGEMENT RESPONSIBILITIES

FOR THE YEAR ENDED 7 JULY 2026

The management of the company is responsible for the preparation of the financial statements in accordance with the International Financial Reporting Standards (IFRS) and other applicable laws and regulation.

In preparing the financial statements of the company, the management is required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and accounting estimates that are reasonable and prudent;

c. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

d. make assessment of the company's ability to continue as a going concern and provide appropriate disclosures about the result

e. present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;

f. provide additional disclosure when compliance with the specific requirements in IFRS sufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance;

g. maintain adequate records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company's and enable them to ensure that the financial statement comply with the commercial code of Ethiopia.

h. safeguard the assets of the company and hence take reasonable steps for the prevention and detection of fraud and other irregularities.

Confirmation of Responsibility

We confirm that to the best of our knowledge:

i. The financial statements, prepared in accordance with IFRS, give a true and fair view of the assets, liabilities, income and expenses of the company;

ii. Nothing has come to our attention to indicate that the company will not remain a going concern for at least the next twelve months from the date of the financial statements

Name		**Name**	
Position		**Position**	
Signature		**Signature**	
Date		**Date**	

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II

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF ADDIS INTERNATIONAL CONVENTION CENTER S.Co. FOR THE YEAR ENDED 07-JULY-2026

UNQUALIFIED OPINION

We have audited the accompanying financial statements of ADDIS INTERNATIONAL CONVENTION CENTER S.Co. for the year ended 07-July-2026 set out on pages 3 to 46, which comprise Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Owners' Equity, Statement of Cash Flows and summary of significant accounting policies with the notes to the accounts and annexed extracts.

In our opinion, the financial statements give a true and fair view of the financial position of ADDIS INTERNATIONAL CONVENTION CENTER S.Co. as at the year ended 07-July-2026 and of the financial performance results and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) adopted by the Company and related reporting requirements.

BASIS FOR OPINION

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards 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 Standard Boards for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with other ethical requirements that are relevant to our audit of the financial statements in Ethiopia, and we have fulfilled these ethical requirements. 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.

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Management's Responsibility for the Financial Statements

Management of the Company is responsible for the preparation of and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) prescriptions. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements. In effect, financial statements are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. An audit involves performing procedure to obtain audit evidence about the amounts and disclosure in the financial statements. The procedure selected depends on the auditor's judgment including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making the risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. The audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the financial statements on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

We communicated with the management regarding, among other key audit matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in the internal control that we identified during our audit.

Ermias Abera (PhD, FCCA)
Principal and Sr. Managing Partner
ERSODA Audit Service LLP

Addis Ababa
October 05, 2026

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ADDIS INTERNATIONAL CONVENTION CENTER S.Co.
STATEMENT OF FINANCIAL POSITION
AS AT JULY 7, 2026

Currency: Ethiopian Birr

ASSETS	Notes		7/7/2025
CURRENT ASSETS			
Cash and Cash Equivalent	4	239,733,770	97,172,339
Trade and Other Receivables	5	9,079,211,341	6,947,825,198
Investment (Fixed Time Deposit)	6	300,000,000	-
Inventories	7	3,866,318	907,426
		9,622,811,429	**7,045,904,963**
NON CURRENT ASSETS			
Property, Plant and Equipment	9	4,542,641,656	3,267,838,840
Right of Use Asset	10	32,021,906	32,463,424
Investment-Debt Security at Amortized Cost	8	271,684	200,000
Intangible Asset	11	19,650,366	39,300,732
Deferred Tax Asset		-	6,403,114
		4,594,585,612	**3,346,206,111**
TOTAL ASSETS		**14,217,397,042**	**10,392,111,073**
LIABILITIES AND OWNERS' EQUITY			
CURRENT LIABILITIES			
Trade & Other Liabilities	12	588,621,059	261,835,530
Accrued Leave Payable	15	1,862,622	1,073,501
Profit Tax Payable	13.1	-	-
Other Current Taxes & Pension Liabilities	14	13,678,531	1,154,359
		604,162,212	**264,063,390**
NON CURRENT LIABILITIES			
Retention	18	309,619,073	291,314,381
Unearned Revenue	19	168,407,867	9,302,788
Other Long Term Employee Benefits	17	2,321,590	974,067
Deferred Tax Liability	16	8,485,350	-
		488,833,880	**301,591,235**
TOTAL LIABILITIES		**1,092,996,092**	**565,654,625**
OWNERS' EQUITY			
Paid up capital	20	13,279,583,000	9,976,134,341
(Accumulated Loss)/Retained Earnings	SCOE	(155,182,050)	(149,677,893)
		13,124,400,950	**9,826,456,448**
TOTAL LIABILITIES & OWNERS' EQUITY		**14,217,397,042**	**10,392,111,073**

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Damtew Alemayehu
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Board Chairman

ADDIS INTERNATIONAL CONVENTION CENTER S.Co.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPRHENSIVE INCOME
FOR THE YEAR ENDED 7 JULY 2026

Currency: Ethiopian Birr

	Notes	Buildings Rental	Exhibition and Related	Total	7/7/2025
REVENUES FROM CONTRACTS					
Operational Income Schedule C	21		381,065,430.96	381,065,430.96	-
Office Rent Income Schedule B	22	59,332,359.54	-	59,332,359.54	88,971,622
Total Revenues		59,332,359.54	381,065,430.96	440,397,790.50	88,971,622.48
COST OF GOODS SOLD				-	
Less: Costs of Goods Sold Schedule C	23	-	37,386,988.93	37,386,988.93	-
Gross Profit		59,332,359.54	343,678,442.03	403,010,801.57	**88,971,622**
Interest Incomes	22	-	9,756,773.53	9,756,773.53	14,103,061
Other Incomes Schedule C	23	-	1,481,345.64	1,481,345.64	597,040
		59,332,359.54	**354,916,561.20**	**414,248,920.74**	**103,671,723.03**
EXPENSES					
Administrative Expenses Schedule B		58,773,901.07		58,773,901.07	-
Administrative Expenses Schedule C	24.1	-	347,317,964.97	347,317,964.97	-
Total Administrative Expenses		58,773,901.07	347,317,964.97	406,091,866.03	254,034,703
PROFIT BEFORE FINANCE COST & TAX		**558,458.47**	**7,598,596.23**	**8,157,054.71**	**(150,362,980)**
Less:-Finance Cost	24.2	-	423,062.30	423,062.30	43,422
(LOSS)PROFIT BEFORE TAX		**558,458.47**	**7,175,533.93**	**7,733,992.40**	**(150,406,402)**
PROVISION FOR PROFIT TAX	13.1	-	-		-
NET INCOME (LOSS)		**558,458.47**	**7,175,533.93**	**7,733,992.40**	**(150,406,402)**
OTHER COMPRHENSIVE INCOME					
Re-Measurement Income (Loss) - net		-	-	-	-
Total Comprehensive Income (Loss)		**558,458.47**	**7,175,533.93**	**7,733,992.40**	**(150,406,402)**

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Board Chairman

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ADDIS INTERNATIONAL CONVENTION CENTER S.Co.
STATEMENT OF CHANGE IN OWNERS' EQUITY
FOR THE YEAR ENDED 7 JULY 2026

Currency: Ethiopian Birr

	Paid up Capital	Legal Reserve	Retained Earnings	Total equity
Balance as at 7/7/2024	**3,899,278,304**		**268,676,581**	**4,167,954,885**
Changes in 2024/2025				-
Additional Capital Contribution	6,076,856,037		(268,676,058)	**5,808,179,979**
Net income (Loss) for the Year	-	-	(150,406,402)	**(150,406,402)**
Change in Deferred Tax Liability	-	-	656,481	**656,481**
Due to Accrued Leave Liability	-		71,505	**71,505**
Balance as at 7/7/2025	**9,976,134,341**	-	**(149,677,892)**	**9,826,456,449**
Changes in 2025/2026				
Additional Capital	3,303,448,659			**3,303,448,659**
Net income (Loss) for the year	-	-	7,733,992.40	**7,733,992**
Prior Period Adjustment	-		(1,369,639)	**(1,369,639)**
Change Deffered Tax Asset (Liability)			(10,960,871)	**(10,960,871)**
Severance			(907,640)	**(907,640)**
Balance as at 7/7/2026	**13,279,583,000**	-	**(155,182,050)**	**13,124,400,950**

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ADDIS INTERNATIONAL CONVENTION CENTER SHARE COMPANY
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Board Chairman

ADDIS INTERNATIONAL CONVENTION CENTER S.Co.
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 7 JULY 2026

Currency: Ethiopian Birr

	Reference Note		7/7/2025
Cash Flows from Operating Activities			
Profit Before Tax (Loss) & Other Comprehensive Income		**7,733,993**	**(150,406,402)**
Depreciation Expense	9 & 10	258,975,962	60,520,460
Amortization Expense-Startup cost	11	19,650,366	19,650,366
Amortization Expense-ROU	10	441,518	441,518
Accrued Leave Expense	15	1,007,005	-
Severance Expense	14	276,211	-
Deferred (Tax Income) Expense	16	2,228,260	-
IFRS Adjustments			(268,591,115)
Net Cash Flows before Working Capital Changes		**290,313,314**	**(338,385,172)**
Decrease/(Increase) in Trade & Other Receivables	5	(2,131,386,143)	(609,966,836)
Increase/ decrease in advances and prepayments			1,121,966,118
Decrease/(Increase) in Inventories	7	(2,958,892)	(426,205)
Increase/(Decrease) in Trade & Other Liabilities	13,19,20	504,470,783	348,203,822
Increase/(Decrease) in Tax Liabilities	14	12,524,172	(803,556)
		(1,617,350,080)	**858,973,343**
Cash Flows from Operations before Tax		**(1,327,036,766)**	**520,588,170**
Profit Tax Paid in the Year		-	-
Net Cash Flows from Operations		**(1,327,036,766)**	**520,588,170**
Cash Flows From Investing Activities			
Investment (Fixed Time Deposit)	6	(300,000,000)	-
Investment (Bond & Term Deposit)	8	(71,684)	(200,000)
Purchase of Elements of Property, Plant & Equipment	9	(1,533,778,778)	(984,942,322)
Purchase of Building (Advance)		-	(5,665,972,766)
Deferred Expenditure		-	21,037,102.61
Net Cash From(Used) In Investing Activities		**(1,833,850,462)**	**(6,630,077,985)**
Cash flows from Financing Activities			
Additional Capital	20	3,303,448,659	6,076,856,037
Net Increase /(Decrease) in Cash and Cash Equivalents		**142,561,432**	**(32,633,778)**
Cash and cash equivalent at the beginning of the year		97,172,339	129,806,117
Cash and cash equivalent at the end of the year		**239,733,771**	**97,172,339**

Change in Cash and Bank Balances

	7/7/2025	7/7/2024	Change
Cash and Cash Equivalent Balances	**239,733,770**	97,172,339	**142,561,431**

ADDIS INTERNATIONAL CONVENTION CENTER SHARE COMPANY AICC

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Damtew Alemayehu
የዳይሬክተሮች ቦርድ ሰብሳቢ
Board Chairman

ADDIS INTERNATIONAL CONVENTION CENTER S.Co.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 7 JULY 2026

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1 COMPANY BACK GROUND

The company is a share company incorporated and domiciled in Ethiopia. It was originally incorporated and registered on 11 November 2012 GC in accordance with the Commercial Code of Ethiopia.
The company obtained its Commercial Registration Certificate from the Ministry of Trade and Regional Integration, the primary authority responsible for business Registration.

The registration was granted pursuant to the Commercial Registration and Business License Proclamation No. 980/2016, under Principal Registration Number MT/AA/3/0019850/2005.

AICC S.C. was established through a public private Partnership (PPP) primarily driven by a collaborative vision between the Ethiopian business community and the Addis Ababa City Administration (AACA).

Starting with the 20 founding members and an initial capital of Birr 10.9 Million, the company has since expanded its shareholder base to 1093 members ranging from public enterprises and private firms to individual house holds.

Currently AICC S.C maintains a robust governance structure overseen by a Board of Directors and Shareholders General Meeting which serves as the Organization's highest decision-making authority.

Conceived as a strategic investment to elevate Addis Ababa's position as premier destination for international conferences and large scale events, the AICC S.C was designed to deepen Ethiopia's role as regional and global business hub.
The Construction of facilities was completed in early 2025 with a total investment exceeding Birr 5.9 Billion, fully financed through shareholders equity.

The facility occupies 19 hectares in Addis Ababa, located near Lemi Park for accessibility an integration with the city's transport network.

Registered Address

Lemi Kua Sub City, Woreda 13, House No. New, CMC in front of Tsehay Real Estate, Addis Ababa , Ethiopia.
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Fax: +251-116 670 072
E- Mail: info@aicc.et
Website: Addis International Convention Center



2 BASIS OF PREPARATION

The financial statements of Addis International Convention Center ("the Company") have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on the historical cost basis, except where otherwise stated.



Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 FUNCTIONAL AND PRESENTATION CURRENCY

The functional and presentation currency of the company is Ethiopian Birr(ETB). Foreign currency transactions are accounted for in accordance with IAS 21 - The Effects of Changes in Foreign Exchange Rates.

2.2 CRITICAL ACCOUNTING JUDGMENTS, KEY ESTIMATIONS AND UNCERTAINTIES

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, income, and expenses, and the accompanying disclosures.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

This note discloses the critical judgments key sources of estimation and uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities.

2.3 KEY SOURCES OF ESTIMATION AND UNCERTAINITY

The following estimates are considered to be the key sources of estimation uncertainty that could result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Useful Lives of Property, Plant and Equipment

In applying IAS 16 – Property, Plant and Equipment, and Investment Property IAS-40, management has estimated the useful lives of items of property, plant and equipment and Investment Property based on expected usage, wear and tear, technical obsolescence, and historical experience.

The estimated useful lives applied by the Company are as follows:

Asset Category	Estimated Useful Life in Years
Buildings	50
Motor Vehicles	15
Machinery and Tools	10
Furniture, Fittings, And Equipment	10
Office and Other Equipment	10
Computer, IT Equipment & Accessories	10
Hospitality & Appliance Equipment	10
Event, Stage & Facility Assets	10
Other Assets	10

Changes in expected usage patterns, technological developments, or maintenance practices could result in revisions to these estimates which would be accounted for prospectively.

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(b) Residual Values of Property, Plant and Equipment

Management has estimated the residual values of property, plant and equipment based on expected realizable value at the end of the asset's useful life, considering market conditions and the nature of the asset.

The residual values applied are:

Asset Category	Residual Value as a % of Cost
Buildings	1
Motor Vehicles	1
Furniture, Fittings, And Fixtures	1
Office and Other Equipment	1
Machinery and Tools	1
Computer, IT Equipment & Accessories	1
Hospitality & Appliance Equipment	1
Event, Stage & Facility Assets	1
Other Assets	1

Assets categorized as "other assets" are generally expected to have no or immaterial salvage value, and the residual value reflects this assessment. Residual values are reviewed at each reporting date and adjusted where expectations differ from previous estimates

(c) Expected Credit Loss (ECL) on Trade Receivables

Trade receivables are subject to impairment in accordance with IFRS 9 – Financial Instruments using the simplified approach, which requires recognition of lifetime expected credit losses.

Management has developed an ECL provision matrix based on historical default experience, forward-looking information, and the age of receivables.

The ECL rates applied are as follows:

Aging of Trade Receivables	ECL Rate
0-90 Days	0.25%
91-120 Days	0.50%
121-180 Days	2%
181-270 Days	5%
271-365 Days	10%
Over 365 days	15%

The ECL estimate is sensitive to changes in customer payment behavior, economic conditions, and credit risk profiles. Actual credit losses may differ from the amounts estimated.

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(d) Actuarial Assumptions for Employee Benefit Obligations

IAS 19 requires defined benefit plans to be estimated using an actuary technique, the project unit credit method, to make a reliable estimate of the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods.

The measurement of employee benefit obligations in accordance with IAS 19 – Employee Benefits requires management to make significant judgments and estimates, particularly in relation to actuarial assumptions.

Though there is some level of uncertainty to determine the variables in using the actuary assumptions and in spite of the absence of professional actuarial , an effort is made to apply the project unit credit method using the assumptions indicated below and in the body of the notes to the financial statements as appropriate.

The salary growth rate is determined based on historical salary adjustment practices, expected future compensation increases, and affordability considerations. Management has applied a long-term salary growth assumption of 18% per annum, reflecting historical trends and forward-looking expectations. Salary increases are not formally indexed to inflation.

The discount rate applied to employee benefit obligations reflects prevailing market yields on high-quality corporate or commercial borrowing rates in Ethiopia at the reporting date and has been estimated at 12% per annum.

In the absence of reliable company-specific or nationally representative data, no explicit attrition or mortality assumptions have been applied. Management has assessed that the impact of attrition and mortality on the employee benefit obligation is not material, and the exclusion of such assumptions is consistent with the requirement to apply best-estimate, supportable assumptions.

Changes in these assumptions could result in material variations in the employee benefit obligation recognized in the statement of financial position.

2.4 SENSITIVITY ESTIMATES

A change in the assumptions relating to useful lives, residual values, or ECL rates could result in a material impact on depreciation expense, impairment losses, and profit or loss for the period.

2.5 MANAGEMENT REVIEW

Management believes that the estimates and assumptions used are reasonable and appropriate; however, due to inherent uncertainty, actual results may differ, and such differences could be material.

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.6 REVENUE RECOGNITION

Revenue is recognized in accordance with IFRS 15 – Revenue from Contracts with Customers, when control of goods or services is transferred to customers and it is probable that economic benefits will flow to the Company.

2.6.1 Sales Services

Revenue is recognized in a period when it is earned and when the right to receive the income is established, the economic benefit associated with the transaction will flow to the company, and the amount of revenue can be calculated reliably. Revenue is measured net of returns, trade discounts and volume rebates.

Revenue from the sale of goods and services is recognized when:

Significant risks and rewards of ownership of the goods and services have passed to the buyer and when control achieved,

The amount of revenue can be reliably measured; and

Collection is probable.

2.6.2 Rental Income

Rental income from Residential, Office, warehouse and store buildings is recognized on a straight-line basis over the lease term in accordance with IFRS 16 – Leases

2.7 COST OF SALES of SERVICES AND EXPENSES

All costs and expenses are recognized when incurred provided that the costs and expenses can be measured reliably. They include all payments made for the procurement of goods and services, and incurred to bring them to a point where they are ready for delivery to customers as well as for utilizing in the company operations.

Cost of sales of Goods and Services includes:

Purchase cost of goods and services;

Import duties and freight;

Labor and other overheads costs

Costs are recognized in the same period as the related revenue.

Expenses are presented by function in the statement of Profit or Loss and Other Comprehensive income

2.8 TRADE DEBTORS AND OTHER RECEIVABLES

Trade and other receivables in Addis International Convention Center. include those receivables which are considered as trade debtors, advances (Project, purchase, travel, staff, etc.) and loans or other accounts with similar nature.

Trade & other receivables shall be recognized on the statement of financial position when the Company becomes a party to the contractual provision of the instrument and has a present right to payment that is unconditional.

Provisions for expected credit losses shall be made as per the prescription criteria under item No.2.3 c above

Because collection & expiration is expected to take place in one-year time or less (or in the normal operating cycle of the business if longer), they are classified as current assets.

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.9 INVENTORIES

Inventories are accounted for in accordance with IAS 2, and are measured at the lower of cost and net realizable value.

Inventories in the company's Context shall mean assets that are:

i. Held for use in the ordinary course of business

ii. In the form of materials or supplies to be consumed in the repair maintenance process;
iii. In the form of materials or supplies to be consumed or distributed in the rendering of services.

The company recognizes inventory when: (a) it satisfies the meaning of inventory as defined above and (b) it is probable that the future economic benefits that are associated with the inventory will flow to the Company and (c) there is a reliable measure of their value.

In addition to that, inventory shall be recorded when the goods are received, to confirm the existence of the inventory to match with the Inventory account in the General Ledger except where there is a foreign purchase the recognition of which takes place when control of the assets passes to the company.

Inventories shall be valued initially at cost and charged against operations when used or sold. Cost includes the purchase price plus any cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Subsequently, Inventory is valued at the lower of cost or net realizable value. The cost of inventories is computed based on the weighted average cost formula.

2.10 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant and equipment are accounted for under IAS 16 – Property, Plant and Equipment.

Property, Plant and Equipment is recognized

i) it is probable that future economic benefits associated with the item will flow to the Company;
ii. The cost of the item can be measured reliably and
iii) the cost is greater than or equal to 15,000.00.

AICC's Elements of Property, Plant and Equipment include such items as Motor vehicles, Furnitues and furnishings, Office and Other equipment, Computers, Machineries and tools, Event, stage and facility assets, Hospitality and appliance Equipments construction in progress an other assets.

Expenditures that maintain the condition of PPE are automatically expensed while Expenditure that enhances the productive capacity & quality of the asset or prolong its useful life and which is greater than or equal to 20% of the carrying value capitalized.

PPE is initially recognized at cost; Cost being Purchase Price, freight, Nonrefundable taxes, directly attributable costs of bringing the asset to working condition for its intended use, cost of dismantling and removing the asset and restoring the site less any revenue from the asset during its setup.

Property, Plant and Equipment are subsequently measured using the cost model; and reported at cost less accumulated depreciation and impairment loss

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

In a similar way, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably

when the cost of a major inspection is included in the carrying amount of an item of PPE, the remaining carrying amount of the previous inspection is derecognized.

Depreciation is calculated on a straight-line basis over the estimated useful lives. Fully depreciated assets that are still in use are retained in the register with zero carrying value.

Property, Plant and Equipment is presented as a single line item in the Statement of Financial Position as Non-Current asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or 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 the statement of profit or loss

2.11 INVESTMENT PROPERTY

Investment Properties are accounted for, based on the provisions of IAS 40 – Investment Property.

Investment Property represents land or a building—or part of a building—or both: i. owned by the company to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or ii. held by the company as a right-of-use land or building or both to earn rentals through sub-leasing.

It is recognized when & only when it meets the above definition and it is probable that future economic benefits will flow to the company;

The Investment Property of the company represents Buildings to be rented for various purposes

For in house constructed Investment Property it is measured at cost; cost being Construction costs and other directly attributable costs; For Investment Property acquired through purchase, cost is Purchase price plus Other directly attributable Expenses;

AICC S.C applies the cost model to subsequently value Investment Properties and discloses the fair value of those assets on reporting dates

Building under Investment Property is depreciated based on the depreciation rates and residual values indicated in respect of Item No.3.3 -Key sources of estimates and uncertainty

Investment property shall be presented in the statement of financial position separately (i.e., it shall not be aggregated with Property, Plant, and Equipment), net of accumulated depreciation and impairment

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.12 RIGHT OF USE ASSETS

Right of Use Assets is accounted for, based on the provisions of IFRS 16 – Leases

This is a contract or part of a contract that conveys the right of use of an identified asset for a period of time in exchange for consideration/payments. Right of Use Asset (ROU-Asset) shall mean the asset that the company recognizes in its Statement of Financial Position as a result of lease contracts conveying the right to control the use of the asset

Initial Recognition of Leases- the company as a Lessee.

At the commencement date of the lease the company shall recognize the ROU of Asset and Lease liability. Substantive substitution right does not exist. The company shall not recognize ROU asset and lease liability for leases with lease term of less than twelve months period (short term) and leases for which the underlying asset has low value, evaluated on a lease by lease basis (unless there is an option to extend the lease).

Measurement

The company initially recognizes ROU Asset at cost; cost being the present value of the lease liability discounted using the company's incremental borrowing rate, lease payments made at or before the commencement date, initial direct costs of lease incurred, present value of estimated residual value guarantee to be incurred at the end of lease term and any cost of restoring the underlying asset, Less any lease incentives (for example deductions of rent payments received) and subsequently measures it at cost less accumulated depreciation less accumulated impairment.

Presentation

Right of Use Asset is separately reported by the classes of asset in the Statement of Financial Position.

2.13 LEASES

AICC S.C accounts for leases based on the provisions of the respective standard IFRS 16. It Identifies if there are transactions that meet the criteria for recognizing them as lease.

As a lessee the company checks for existence of separate asset, economic benefits, direction of uses of the asset,

AICC S.C as a Lessee

A lessee will recognize at lease commencement date a right-of-use asset and a lease liability, where:

The commencement date of a lease is defined in the standard as the date on which a lessor makes underlying asset available for use by a lessee

At the commencement date of a lease, the lease liability and right of use asset comprise fixed, variable, residual value guarantee, exercise price of a purchase option, lease terminating payments as appropriate

AICC S.C as a lessor

As a lessor the company also checks whether or not the lease is Operational or Financial by using such tests as transfer of ownership, purchase option, lease term, present value, and alternative use tests

AICC S.C as a lessor is required to recognize at the commencement date assets held under a finance lease in its Statement of Financial Position and present them as receivable at an amount equal to the net investment

The lease value is measured at the sum total of present value of rental, guaranteed and unguaranteed residual payments

Leases that do not meet the criteria for finance lease consideration are reported as operational lease

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.14 FINANCIAL INSTRUMENTS-RECOGNITION AND MEASUREMENT

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognized and measured in accordance with IFRS 9 – Financial Instruments, and are classified as "at amortized cost, fair value through profit or loss (FVTPL) or fair value through Other Comprehensive Income (FVOCI), where applicable.

Trade receivables are measured at amortized cost and subject to Expected Credit Loss (ECL) provisioning as stipulated in respect of item No. 2.3 above

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.14.1 Financial Assets

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

Except for trade receivables (which is measured at fair value of consideration received or receivable in accordance with IFRS 15), at initial recognition, an entity shall measure a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below :

An entity shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:
(a) the entity's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.

Financial Assets measured at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:
(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value through Other comprehensive income

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:
(a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
Principal is the fair value of the financial asset at initial recognition where as interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Assets measured at Fair Value through Profit or loss

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income. However an entity may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

However, an entity may, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different.

Effective interest rate

The rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, an entity shall estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but shall not consider the expected credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate , transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or
(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and, to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognized to the extent of its continuing involvement in it. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that it has retained.

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

i. Financial assets related to the investment on long term securities such as bonds and stocks shall be recognized in Statement of Financial Position when, and only when, the Company becomes party to the contractual provisions of the financial instrument.

ii. Initially the Company measures financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial assets.

iii. Depending on the business model adopted and nature of the financial assets of long-term investments on bonds and stocks, they are subsequently measured at either amortized cost, or through FVPOL or through Other comprehensive income (OCI)

Impairment of financial assets

The company assesses, at each reporting date, whether there is any objective evidence that a financial asset is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtors or a of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.14.2 Financial Liabilities

The Company's financial liabilities include trade and other payables, Taxes and Retention.

Initial recognition and measurement

All financial liabilities are recognized initially at fair value.

a. Financial liabilities related to the borrowing through overdraft facilities, medium or long-term liabilities shall be recognized in Statement of Financial Position when, and only when, the Company becomes party to the contractual provisions of the financial instrument.

b. The Company shall measure financial liability at its fair value less (without including) transaction costs at their initial recognition.

An entity may, at initial recognition, irrevocably designate a financial liability as measured at fair value through profit or loss, or when doing so results in more relevant information, because either:

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases

(ii) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel.

Subsequent measurement

An entity shall classify all financial liabilities as subsequently to be measured at amortized cost, except for:

(i) financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.
(ii)Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies
(iii) commitments to provide a loan at a below-market interest rate.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is a current enforceable legal right to offset the recognized amounts and an intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.15 Provisions and Contingent Liabilities

i Payables are recognized when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost. Payables are derecognized when the obligation under the liability is discharged, cancelled or expired.

ii Provisions is recognized when the following three conditions are met:

a) it has a present obligation (legal or constructive) as a result of a past event;

b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c) a reliable estimate can be made of the amount of obligations.

iii If the Company has a contract that is onerous, the present obligation under the contract is recognized and measured as provision.

iv The measurement of provision is based on that:

a. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date.

b. The amount of a provision is the present value of the expenditures expected to be required to settle the obligation, if time value of money is material,

2.16 IMPAIREMENT OF NON FINANCIAL ASSETS

Non-financial assets are reviewed for impairment in accordance with IAS 36 – Impairment of Assets whenever there is an indication that the asset's carrying amount may not be recoverable.

a. The Company 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, it estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.

b. 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 exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

c. 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.

d. A previously recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized in the income statement.

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Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.17 INCOME TAX

Income tax expense comprises current and deferred tax and is recognized in accordance with IAS 12 – Income Taxes.

Current tax is calculated based on taxable profit;

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 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.

Deferred tax is recognized for temporary differences.

Deferred tax is recognized 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 recognized 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 realized or the deferred tax liability is settled.

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

Value added tax

Revenues, expenses and assets are recognized net of the amount of sales tax, except:

- Where the Value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- Receivables and payables are stated with the amount of sales tax included

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Currency: Eth. Birr

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.18 CAPITAL MANAGEMENT

Objectives

The objective of the Capital Management policy in AICC S.C is to protect the entity's capacity to continue as a going concern, maintain an optimal capital structure to minimize cost of capital, and provide sustainable returns to shareholders and stakeholders.

Policies

AICC S.C Setts specific structural targets, such as target debt-to-equity ratios, minimum solvency margins, such as in the Ethiopian Commercial codes .

The company's management makes effort to keep the debt to equity ratio well below 100% and the gearing ratio well below 50% in order to lower the cost of capital, maximize share holders value and make it solvent in the long term

Processes

The company's management and board monitors capital ratios, cash flows and capital expenditures, conducts stress-testing scenarios, and tracks compliance with external banking covenants or regulatory mandates such as in the commercial codes as appropriate.

2.19 RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in accordance with IAS 24 – Related Party Disclosures, including transactions with sister companies and key management personnel.

2.20 EVENTS AFTER THE REPORTING PERIOD

Events occurring after the reporting period are accounted for in accordance with IAS 10 – Events after the Reporting Period

2.21 GOING CONCERN

The financial statements have been prepared on a going concern basis, as management believes the Company will continue its operations for the foreseeable future.

Currency: Eth. Birr

4 CASH & CASH EQUIVALENTS

		7/7/2025
Cash on Hand	-	-
Cash at Bank	239,733,770	97,172,339
	239,733,770	**97,172,339**

Cash at Bank represent the current account (demand deposit) balances in different banks.

4.1 By Depositee Banks

Banks		7/7/2025
Commercial Bank of Ethiopia	37,027,350	23,998,019
Awash Bank	381,467	3,879,453
Wegagen Bank	160,998	9,695,169
Bank of Abysinia	6,507,054	23,918,357
United Bank	263	263
Dashen Bank	707,267	9,658,655
Debub Global Bank	272,436	8,443,641
Sket Bank	194,541,505	14,933,200
Nib Bank	100,393	1,160,677
Abay Bank	35,036	1,484,905
	239,733,770	**97,172,339**

4.2 Deposits by type and rank of banks

		7/7/2025
Cash at Government Banks	231,568,855	38,931,219
Cash at Top Ranking Private Banks	7,596,051	37,456,728
Cash at Middle Level Private Banks	568,864	20,784,391
	239,733,770	**97,172,339**

Proportion of the deposit of each level (Rank) to total deposit is as shown below

	Average	7/7/2026	7/7/2025
Depots at Top Ranking Private Banks	**0.21**	0.03	0.39
Deposit at Middle Level Private Banks	**0.11**	0.00	0.21

The deposit with Government Banks is relatively risk free and payable on demand. The risk exposure with the private banks is very minimal because there is no any deposit kept with low ranking banks .

Deposit by Type		7/7/2025
Demand Deposit	239,733,770	97,172,339
	239,733,770	**97,172,339**

The company has no currency denominated in foreign exchange, and not exposed to any foreign exchange rate risk

Currency: Eth. Birr

5 TRADE & OTHER RECEIVABLES

		7/7/2025
Trade Debtors (See 5.1 & 5.2 below)	13,088,563	20,054,027
Less:-Allowance for Expected Credit Loss	-	-
	13,088,563	**20,054,027**
Taxes (see 5.3 below)	184,178,337	861,558,814
Advances (see 5.4 below)	8,879,196,936	6,065,913,374
Staff Debtors	63,572	78,539
Prepayments (See 5.5 below)	1,829,280	220,445
Interest on fixed Time	549,247	-
Sundry Debtors	305,406	-
	9,079,211,341	**6,947,825,198**

5.1 Trade Receivables by Debtors

		7/7/2025
Ministry of Planning Development	10,565,645	-
PM Office	1,521,739	-
Fasil Gutema Debsu	807,833	-
Ethio Robot Robotics	-	838,170.67
Hall Rent for Sheger Investment Expo	-	9,276,164.35
INSA	-	3,260,869.57
Kenya Beverages	-	1,458,854.78
Ministry of Labor and Skill	-	4,231,641.74
Sundry Debtors	193,345	988,325.50
	13,088,563	**20,054,027**

5.2 Changes in & Movement of Trade Debtors Transactions

		7/7/2025
Opening Balance	**20,054,027**	-
Additions	44,304,332	20,054,027
Collections	(51,269,796)	-
Closing Balances	**13,088,563**	**20,054,027**

Trade Debtors are non-derivative financial assets and represent amounts due from credit customers. AICC S.C management elected not to recognize provision for expected credit loss on the trade debtors balances, because the significant portion of the receivable is with Government organizations and it is only below 30 days old.

5.3 Taxes

			7/7/2025
Withholding Tax		17,041,760	1,002,270
VAT (Net)	**See below**	167,136,577	860,556,544
		184,178,337	**861,558,814**
Withholding Tax Deductible from Profit Tax Liability		-	-
		184,178,337	**861,558,814**

Currency: Eth. Birr

Withholding Tax

According to Article 37 of the amendment Proclamation No.1395/2025; the Compant is required to withhold tax by a directive of the authority, and shall withhold tax at the rate of 3% of the gross amount of a payment made for domestic suppliers of Goods and Services, and 3% of imported items on a single purchase exceeding Birr 20,000.00 and 10,000.00 of a single supply of goods and services respectively, effective August 7, 2025 respectively:

Subsequently, withholding agents are allowed to offset the with held amount against their profit tax liability at the end of the year

Withholding Tax Transactions and Balances Movements

		7/7/2025
Opening Balance	**1,002,270**	**283,013.99**
Withheld by Sellers of Goods and Services	104,087	991,092
Adjustment &/or Settlements Against Profit Tax	(2,609)	(271,836)
Closing Balances	**1,103,748**	**1,002,270**

VAT

		7/7/2025
VAT on Purchases of Goods and Services	167,136,577	862,572,427
VAT on Sales of Goods & Services	-	(2,015,883)
	167,136,577	**860,556,544**

VAT Transactions Movement (Excluding Government Retained VAT)

		7/7/2025
Opening Balance	**862,717,943**	**250,181,484.38**
VAT on Purchases and Sales-Net Receivable	448,929,232	630,476,491
Settlements Against the Receivables	(1,161,297,718)	(17,940,032)
Closing Balances	**150,349,457**	**862,717,943**

VAT on sales Retained by Government Organizations		7/7/2025
Opening Balance	**135,165**	-
VAT on sales (Receivables)	28,111,466	1,726,927
Settlements	(11,178,830)	(1,591,762)
Closing Balances	**17,067,800**	**135,165**
Total Closing Balances	**167,417,257**	**862,853,107**

Per VAT Proclamation No. 1343/2024 and VAT regulation No. 570/2024 Value added tax shall be imposed at the rate of

a) for a taxable supply that is a Zero-rated supply, Zero percent, or

b) in any other case 15 percent; on

made by a

ii) a taxable import made by any person; and

iii) a reverse charged supply made to a registered person, Government entity or large unregistered person.

The amount of VAT payable in respect of a taxable supply, taxable import, or reverse charged supply shall be calculated by applying the specified rates to the value of the supply or import.

Currency: Eth. Birr

The liability for VAT on a taxable supply arises at the time of the supply and the net VAT payable shall be accounted for to the Tax Authority on the due date for payment.

The VAT payable by an importer in respect of a taxable import shall be due at the time of import.

The VAT balance reported above in respect of each accounting period represents the net VAT payable resulted from the excess of the output VAT over the input VAT at the end of Each Accounting Period.

These liabilities simply represent amounts that are outstanding & not settled before the end of the periods and that will be paid just in the following few months of the accounting periods.

Pension, Cost Sharing & all other non profit tax liabilities are recorded in the books of accounts of the company when deducted from employees benefits, based on the Ethiopian Federal Income Tax Laws (Proclamation No. 979/2016 and Regulation No. 410/2017) as well as the Private Organization Employees Pension Contribution Proclamation No. 1268/2022. From the company's side it is certain that there will be economic resource outflow in the future.

All these liabilities are initially recognized at their fair values (the amount that was deducted from employees and transferable to the tax authority and private employees social security agency) and subsequently measured at amortized costs. The liabilities do not bear any kind of interest unless they are past due the end of the period required by the applicable laws for their settlement. .

5.4 Advance Transactions and Balances Movements

		7/7/2025
Opening Balance	**6,065,913,373**	**1,537,342,736**
Additions	3,681,326,139	4,775,556,790
Settled	(868,042,577)	(246,986,153)
Closing Balances	**8,879,196,935**	**6,065,913,373**

5.5 Prepayments (Insurance) Transactions and Balances Movements

		7/7/2025
Opening Balance	**220,445**	**67,104.16**
Additions	2,088,380	443,997
Expired	(479,545)	(290,656)
Closing Balances	**1,829,280**	**220,445**

6 INVESTMENT (FIXED TIME DEPOSIT)

It consists of fixed term deposits that do not qualify to be classified as cash

Carrying Amounts		7/7/2025
Fixed Time Deposit	300,000,000	-

Disaggregated View by Investees		7/7/2025
Fixed time Deposit-Bank of Abysinia	100,000,000	-
Fixed time Depossit-Siket Bank	200,000,000	-
	300,000,000	-

Currency: Eth. Birr

The company entered in to a fixed time deposit agreement with two financial institutions for a period longer than three months. The agreement terms stipulate that the banks pay 20% interest rate on the deposits. The agreement also contains a clause of penalty that underlines a reduction of the interest rate to 7% if the company breaches the contract agreement and decides to withdraw its deposit.

One of the fixed term deposits is held with a government bank and the other one is held with a bank having a good reputation and high ranking in the sector. Besides they are held for only six months. As a result the management assessed that the exposure to risk is almost non existent and opt not to apply the impairment calculation requirement.

7 INVENTORY

Inventories comprise Office supplies, electrical, repair and maintenance materials. The significant part of it is a soil container pot material for plantation.

Carrying Value		7/7/2025
Stationery	155,258.70	234,323
Cleaning Material	243,416.33	105,101
Printing Material	317,705.51	292,363
Electrical Materials	247,798.70	275,639
Plant Potte Material	2,371,539.05	-
Maintenance Material and fuel	530,599.97	-
	3,866,318	**907,426**

Changes in and Movement of Inventory balances and Transactions (Reconciliation)

		7/7/2025
Opening Balance	**907,426**	**481,221**
Purchase	3,866,318	907,426
Consumed/ Used	(907,426)	(481,221)
Closing Inventory Balance	**3,866,318**	**907,426**

The amount reported as consumed or used in the organization represent the value of the total inventories recognized as expense

During the reporting periods management assessed net realizable value of inventories and found out that it exceeds their carrying amounts, and accordingly no inventory write-downs or reversals of previous write-downs were recognized. As a result, inventories are presented at cost in the financial statements.

No material events related to inventories occurred after the reporting period

There are no inventories carried at fair value less costs to sell.

Currency: Eth. Birr

8 INVESTMENT (DEBT SECURITIES)

The Company's financial investments comprise investments on government bond issued in lieu of the construction of the great renascence dam. The investment is held for long term purposes and is not acquired for trading.

Carrying Amounts

		7/7/2025
Debt Securities	271,684	200,000
	271,684	**200,000**

Disaggregated View by Investees

		7/7/2024
Great Renascence dam Bond	271,684	200,000
	271,684	**200,000**

a) Government Bond

The Company holds four saving bonds issued by the Government of Ethiopia each with a face value of Birr 50,000 and an annual coupon rate of 7.5%. The bond was acquired to support the construction of the Grand Ethiopian Renaissance Dam and is held for the purpose of collecting contractual interest payments and the principal amount at maturity.

The bond is initially recognized at fair value plus transaction costs and subsequently measured at amortized cost using the effective interest method, as it is held within a business model whose objective is to collect contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest.

				Interest Accrued on	
Bond Certificate No.s	**Issue Dates**	**Par Value**	**Maturity Dates**	**07-07-26**	**07-07-25**
0015453	13/04/2022	50,000.00	12/4/2027	17,921.02	13,182.35
0015454	13/04/2022	50,000.00	12/4/2027	17,921.02	13,182.35
0015455	13/04/2022	50,000.00	12/4/2027	17,921.02	13,182.35
0015456	13/04/2022	50,000.00	12/4/2027	17,921.02	13,182.35
		200,000.00		**71,684**	**52,729**

b) Risk Considerations

The Company is exposed to credit risk and valuation risk arising from its financial investments. Credit risk on the government bond is considered low due to its sovereign nature. Equity investments are subject to risks related to the financial performance and dividend-paying capacity of the investee companies. As the company has no any investments on equity securities it is not exposed to any of the risks specified.

Currency: Eth. Birr

9 PROPERTY, PLANT AND EQUIPMENT

Accounting Base

	7/7/2025 Balance	Ajustement for finishing of useful life	Additions	7/7/2026 Balance
Cost				
Building	3,230,956,409		992,141,971	4,223,098,380
Motor Vehicles	18,878,164		13,958,896	32,837,061
Furniture, Fixture & Furnishings	9,797,043	(110,685)	136,449,668	146,136,026
Office & Other Equipment	8,020,009	(32,120.00)	8,194,557	16,182,447
Computer & Accessories	3,454,712	(61,099.69)	566,957	3,960,569
Machinery & Tools	176,955		16,684,325	16,861,281
Hospitality & Appliance Equipn	4,017,938	(5,380)	103,307,415	107,319,973
Event, Stage & Facility Assets	74,738,112		259,531,424	334,269,536
Other Assets	294,531		2,943,565	3,238,096
	3,350,333,874	**(209,284)**	**1,533,778,778**	**4,883,903,368**
Depreciation				
Building	73,606,523		209,043,370	282,649,892
Motor Vehicles	3,713,001		1,796,903	5,509,904
Furniture & Fixture	1,222,374	(110,685)	13,343,127	14,454,816
Office Equipment	550,975	(32,120)	1,507,109	2,025,964
Computer Access.	801,846	(61,100)	342,746	1,083,492
Machinery	24,702		1,508,743	1,533,445
Hospitality & Appliance Equipn	197,190	(5,380)	1,607,075	1,798,886
Event, Stage & Facility Assets	2,316,190		29,534,975	31,851,165
Other Assets	62,233		291,913	354,146
	82,495,035	**(209,284)**	**258,975,962**	**341,261,712**
	3,267,838,840			**4,542,641,656**
Construction in Progress	-		-	-
CARRYING VALUE	**3,267,838,840**			**4,542,641,656**

Measurement after recognition

After initial recognition, property, plant and equipment are measured using the cost model. Depreciation is charged so as to allocate the depreciable amount of each asset over its estimated useful life, using the straight-line method.

The estimated useful lives and residual values applied by the Company are disclosed in the summary of significant accounting policies and are reviewed at least annually. Any changes in estimates are accounted for prospectively.

Reconciliation of carrying amounts

The movements in cost, accumulated depreciation, and carrying amounts of property, plant and equipment for the years ended 7 July 2025 and 2026 are presented in the table above and include additions through purchases and depreciation charges calculated in accordance with IAS 16.

Currency: Eth. Birr

Impairment assessment

In accordance with IAS 36 Impairment of Assets, management assessed property, plant and equipment for indicators of impairment at each reporting date. For the years ended 7 July 2026, no indicators of impairment were identified, and accordingly no impairment losses were recognized.

Assets pledged as security

As AICC S.C has no loan that it obtained from banks, there are no elements of Property plant and equipment or other asset that was pledged as collateral.

Property, Plant And Equipment-Tax Base

	7/7/2025 Balance	Adjustment	Additions/ Disposals	7/7/2026 Balance
Cost				
Building	3,230,956,409		992,141,972	4,223,098,381
Motor Vehicles	18,878,164		13,958,896	32,837,061
Furniture & Equipment	62,667,658		429,280,972	491,948,630
Computer Access.	3,428,573		566,957	3,995,530
Other Fixed Asset	34,369,713		97,829,981	132,199,694
	3,350,300,518	-	**1,533,778,778**	**4,884,079,295**
Depreciation				
Building	73,949,137	7,300.78	211,154,919	285,111,357
Motor Vehicles	7,242,862	-	3,218,288	10,461,150
Furniture & Equipment	1,349,748	3,521,301	44,484,550	49,355,600
Computer Access.	1,422,239	-	545,864	1,968,103
Other Fixed Asset	301,886	2,307,199	24,401,056	27,010,141
	84,265,872	**5,835,801**	**283,804,678**	**373,906,351**
Book Value	**3,266,034,645**			**4,510,172,944**
Construction in Progress	-		-	-
	3,266,034,645			**4,510,172,944**

Per article 25 sub article 1 of Tax Proclamation No.979/2016 a taxpayer shall be allowed a deduction for the amount by which the depreciable assets of the taxpayer declined in value during a period through use in deriving business income.

Article 39 of the Income Tax Regulation No. 410/2017 prescribes the rate at which the depreciable assets are depreciated for determining a taxable income as follows

DEPRECIABLE ASSET	Straight -line Rate	Diminishing Value Method
Computers, software, and data storage equipment	20%	25%
Structural improvement on immovable property other than a greenhouse	5%	NA
Any other depreciable asset	15%	20%

Currency: Eth. Birr

AICC S.C applied the straight line method to determine the depreciation expense to be allowed for determining taxable income. Per the straight line method the rate is applied on the total cost of acquisition beginning with the date of acquisition.

All those buildings that AICC S.C owns (Significant Part of them), are for rent purposes, and already they are being used for generating rent income, there by making it necessary their classification and presentation in these financial statements as Buildings.

The company uses cost model to account for the Buildings. The fair value of the buildings not established, because the management decided to get the fair value determined by independent appraiser in the future periods. As a result both fair values and changes in fair values along with gain or loss results could not be disclosed.

Significant part of those incomes and expenses reported under revenue and administrative expenses in this report are directly related to the rental business of the company

10 RIGHT OF USE ASSET

The Company holds leasehold rights over a plot of land obtained from the Addis Ababa City Administration for business purposes under long-term lease agreements. In Ethiopia, land is owned by the government and cannot be privately owned; accordingly, the Company's rights are recognized as right-of-use assets in accordance with IFRS 16 – Leases.

	7/7/2025 Balance	Additions/ Adjustments	7/7/2026 Balance
Cost	36,204,492	-	36,204,492
Les:-Amortization Expense	3,741,067	441,518	4,182,586
Carrying Value	**32,463,424**		**32,021,906**

Particulars of the Lease (Agreement) are the following

Leasehold Land(location)	Lease hold land area in M^2	Lease Period	Lease Term in Years	Cost/M2	Total Lease Cost
lemi Kura , woreda 13 ,Addis Ababa, Ethiopia	110,126	23/2/2012 -22/2/2094 GC	82	328.7551677	36,204,492
Total					**36,204,492**

Carrying Amounts

The original lease agreement was made between Addis Ababa City Administration Land Management Authority and Addis Ababa Chamber of Commerce/Addis Ababa Exhibition Center and Market Development Enterprise giving the enterprise the right to use the land specified above.

AICC S.C acquired the right to use the land from the Enterprise in exchange for shares of ownership in the company.

Consequently there is no lease liability obligation outstanding from the commencement date as well as at the reporting dates, implying that there is no finance cost element in it and all what was paid should be reported as cost of Right of Use Asset

Currency: Eth. Birr

Recognition and measurement

The carrying amounts of the leasehold land under previous accounting practices were designated as the deemed cost of the corresponding right-of-use assets.

Accordingly, the right-of-use assets are measured at deemed cost less accumulated amortization and accumulated impairment losses, if any.

Amortization

The right-of-use assets relating to leasehold land are amortized on a straight-line basis over the respective lease terms, which represent the period over which the Company is expected to derive economic benefits from the assets.

Impairment

In accordance with IAS 36 – Impairment of Assets, management assessed the right-of-use assets for indicators of impairment at each reporting date. No indicators of impairment were identified during the reporting periods, and accordingly no impairment losses were recognized

11 PREOPERATIONAL INVESTMENT

	7/7/2025 Balance	Additions/ Adjustments	7/7/2026 Balance
Cost	**78,601,465**		**78,601,465**
Less :-Accumulated Amortization	**39,300,732**	19,650,366	**58,951,098**
	39,300,732		**19,650,366**

12 TRADE CREDITORS & OTHER LIABILITIES

				7/7/2025
Trade Creditors			1,031,828	2,113,227
Payable to Contractors	See below	12.1	579,476,419	251,523,223
Guarantee Payable		12.2	5,609,191	3,023,876
Accrued Liabilities & Provisions			359,622	852,354
Share Holders' Accounts			1,985,142	1,837,449
Sundry Creditor			158,858	2,485,399
			588,621,059	**261,835,530**

12.1 Construction Liability-Sundry by Creditors

		7/7/2025
Elevate Design PLC		18,548,083.87
Remodeling of banking office (Dashen Bank)		329,097.80
CGC Overseas Construction	334,985,523	232,646,042
China Jiangsu	20,000,000	-
Ethiopian Air Line	220,816,600	
Zeplash	3,674,296	
CBE Modeling	-	(527,629)
	579,476,419	**251,523,223**

Currency: Eth. Birr

Contractors' Liability balance represents obligations that the company has not yet discharged off until the end of the reporting periods for the construction service that it has received from the contractors

They are in essence Accrued liabilities that are established based on the performance measurement made by the supervisors and translated in to monetary value based on the provisions in the contract agreement

12.2 Guarantee Liability Transaction Movement (Changes & Reconciliation)

		7/7/2025
Opening Balance	**3,023,876**	-
Additional During the Year	4,561,845	3,023,876
Settlement	(1,976,530)	-
Closing Balance	**5,609,191**	**3,023,876**

Guaranty liability represents amounts collected from tenants as advance deposits to guarantee and honor the provisions in the rent agreements, incase of any irregularities that may result from use of rented facilities

Trade Creditors & all other liabilities are recorded in the books of accounts of the company when it engaged in transaction for purchase of supplies of goods & services and enter in to a contract for their subsequent settlement and when the associated risks as well as benefits are transferred to it. From the company's side it is certain that there will be economic resource outflow in the future.

What is recorded as accruals and provisions represents amounts that accrued and provided for but not settled, until the end of the reporting periods. These include amounts payable to utility companies, auditors, security and cleaning service providers.

All these financial liabilities are initially recognized at their fair values (the considerations that will be given to the beneficiaries) and subsequently measured at amortized costs. The liabilities do not bear any kind of interest.

The company has no any liquidity risk that will deter it from settling these liabilities as per the contract engaged.

13 INCOME TAX EXPENSE (CURRENT AND DEFERRED TAX)

		7/7/2025
Current taxation based on taxable profit (note 12.1)	-	-
Deferred income tax charge (12.2)	8,558,362	8,485,350
Total charge (Credit) to profit or loss	**8,558,362**	**8,485,350**
Tax charge (credit) on other comprehensive income	-	-
Total tax expense (income) in statement of comprehensive income	**8,558,362**	**8,485,350**

Currency: Eth. Birr

13.1 PROFIT TAX LIABILITY

			7/7/2025
Opening Tax Liability Balance		-	-
Paid During the Year		-	-
Unpaid Balance		-	-
PROFIT (LOSS) BEFORE TAX FOR THE YEAR		**7,733,992**	**(150,406,402)**
Less Non Taxable Income			
Interest Income		9,742,272	14,103,061
Add:-Non deductible Expenses			
Demurrage, Penalty & Interest Expense		-	1,638,525
Donation		2,700,000	779,900
Guest Accommodation Expenses		715,783	601,216
Depreciation Expense-PPE		258,975,962	-
Deferred Tax Expense		2,228,260	-
		264,620,004	**3,019,641**
Less:-Allowed Deductions			
Depreciation Expense-PPE		289,640,479	-
		289,640,479	-
(Loss) or Taxable Profit		**(27,028,755)**	**(161,489,821)**
Loss to be Brought Forward		**(187,561,032)**	(26,071,210)
Loss to be Carried Forward		**(214,589,786)**	**(187,561,032)**
Applicable Tax Rate		0%	0%
Provision for Profit Tax		-	-
Withholding Tax (Prepaid Profit Tax)		-	-
Profit Tax Payable	-	-	-

The Provision for Profit Tax is computed based on the prevailing tax laws that include Federal Income Tax Proclamation # 979/2016 and the related regulation and directives. Per Article 19 sub article 1 of the proclamation, as a body the Company is subject to 30% business (profit) tax. For the computation of the taxable income, non-taxable incomes are deducted, while non-deductible expenses are added-back to the accounting income.

13.2 DEFERRED TAX INCOME (EXPENSE)/CREDIT (CHARGE) TO PROFIT OR LOSS

Type of Accounts	Column2	Note	07-07-25	(Charge) Credit to profit or loss	07-07-26
PPE		16.1	(541,258)	(9,199,355)	(9,740,614)
Expected Credit Loss		16.2	-	-	-
Accrued Leave		16.3	322,050	236,736	558,787
Other Long Term Employee Bene		16.4	292,220	404,257	696,477
			73,012	**(8,558,362)**	**(8,485,350)**
				640,993	**121,277**

Currency: Eth. Birr

14 PENSION, COST SHARING & OTHER CURRENT TAXES

		7/7/2025
Employment Income Tax	716,429	472,996
With holding	12,351,043	231,812
Pension Payable	275,063	164,961
Severance Income Tax	335,997	284,589
	13,678,531	**1,154,359**

These liabilities simply represent amounts that are outstanding & not settled before the end of the periods and that will be paid just in the following few months of the accounting periods.

Recognition

Pension, Cost Sharing & all other non profit tax liabilities are recorded in the books of accounts of the company when deducted from employees benefits, based on the Ethiopian Federal Income Tax Laws (Proclamation No. 979/2016 and Regulation No. 410/2017 and the Tax amendment Proclamation No. 1395/2025) as well as the Private Organization Employees Pension Contribution Proclamation No. 1268/2022. From the company's side it is certain that there will be economic resource outflow in the future.

Initial and Subsequent Measurement

All these liabilities are initially recognized at their fair values (the amount that was deducted from employees and transferable to the tax authority and private employees social security agency) and subsequently measured at amortized costs.

The liabilities do not bear any kind of interest unless they are past due the end of the period required by the applicable laws for their settlement. .

15 ACCRUED LEAVE PAYABLE

		7/7/2025
Opening Balance	**1,073,501**	**696,447**
Additional During the Year	985,638	568,891
Settlement	(196,517)	(191,837)
Closing Balance	**1,862,622**	**1,073,501**

Accrued annual leave payable represents the Company's obligation for accumulated and unused annual leave entitlements of employees as at the reporting date. The liability arises as employees render service that increases their entitlement to future paid leave and is accounted for in accordance with IAS 19 – Employee Benefits.

Recognition and measurement

The accrued annual leave payable is classified as a short-term employee benefit, as it is expected to be settled wholly within twelve months after the end of the reporting period. Accordingly, the liability is measured at the undiscounted amount of the benefits expected to be paid when the leave is taken or settled.

Currency: Eth. Birr

A worker, pursuant to Article 77 of the labor Proclamation No. 1156/2019, shall be entitled to uninterrupted annual leave of Sixteen (16) working days plus one working day for every additional two years' service with pay.

The amount recognized is determined based on each employee's current daily remuneration rate multiplied by the number of unused leave days accumulated as at the reporting date.

The balance is updated at each subsequent reporting date to reflect additional leave earned, leave utilized, and changes in remuneration levels.

16 DEFERRED TAX ASSET (LIABILITY)

Deferred tax is calculated on all temporary differences between carrying amount and tax base of assets and liabilities using the enacted tax rate of 30% as of the reporting date. The temporary difference is a result of readjusting the tax base of PPE items for IFRS purposes, the use of different depreciation rates for tax and IFRS purposes and the recognition of employee benefits in a manner different from those required for tax purposes. The movement in deferred income tax assets (liabilities) and deferred income tax charge/(credit) in profit or loss are as follows:

			7/7/2025
16.1	**From PPE**		
	Tax Base	4,510,172,944	3,266,034,645
	Accounting Base	4,542,641,656	3,267,838,840
	Temporary Difference	**(32,468,712)**	**(1,804,195)**
	Tax Rate	30%	30%
	Deferred Tax Asset (Liability)	**(9,740,614)**	**(541,258)**
16.2	**From Trade Debtor /Provision for Expected Credit Loss/**		
	Tax Base	13,088,563	20,054,027
	Accounting Base	13,088,563	20,054,027
	Temporary Difference	-	-
	Tax Rate	30%	30%
	Deferred Tax Asset (Liability)	-	-
16.3	**From Accrued Leave**		
	Accounting Base	1,862,622	1,073,501
	Tax Base	-	-
	Temporary Difference	**1,862,622**	**1,073,501**
	Tax Rate	30%	30%
	Deferred Tax Asset (Liability)	**558,787**	**322,050**
16.4	**From Other Long Term Employee Benefit Obligation**		
	Accounting Base	2,321,590	974,067
	Tax Base	-	-
	Temporary Difference	**2,321,590**	**974,067**
	Tax Rate	30%	30%
	Deferred Tax Asset (Liability)	**696,477**	**292,220**
	TOTAL DEFERRED TAX ASSET (LIABILITY)	**(8,485,350)**	**73,012**

Currency: Eth. Birr

17 EMPLOYEE BENEFIT OBLIGATIONS		7/7/2025
Opening Balance	**974,067**	**940,944**
Additional During the Year	226,288	357,825
Settlement	(54,919)	(324,702)
Adjustment	1,176,155	-
Closing Balance	**2,321,590**	**974,067**

The balance reported as employee benefit obligations represents the severance payable amounts that are payable to employees up on divorce, based on the number of years they have served the company. The amount is calculated in accordance with the provisions in the labor law of the country. This law requires companies to pay one month full salary for the first year of service and one third of a month's salary for the subsequent years of services provided that an employee has served minimum of five years.

The increase from year to year is simply a function of the increase in the number of service years.

The liability falls to the category of Other Long Term Employee Benefits and represents the present value of the total post employment benefit calculated taking in to account the following factors.

Salary Growth Rate

The salary growth rate used in the actuarial valuation reflects the Company's historical salary adjustment practices and management's expectations regarding future compensation increases. Based on an analysis of salary increments over the most recent five-year period, the Company's average annual salary growth has been approximately 18%, driven primarily by merit-based increases, promotions, and affordability considerations.

Although general inflation levels in Ethiopia have been elevated in recent years, salary adjustments at the Company are not formally indexed to inflation and do not systematically reflect changes in the Consumer Price Index. Inflation was therefore considered as part of the broader economic environment and affordability constraints, but was not used as a direct determinant of the salary growth assumption.

A modest forward-looking adjustment has been applied to the historical average to reflect expected employee retention needs and market competitiveness, resulting in a salary growth assumption of 10% per annum. This assumption represents management's best estimate of future salary increases over the long term.

Non-use of Attrition and Mortality

In the absence of reliable, company-specific and nationally representative attrition and mortality data in Ethiopia, no explicit attrition or mortality assumptions have been applied in this actuarial valuation. Historical employee records at the Company do not provide a sufficiently stable or credible basis for estimating future resignation or death rates, and publicly available national life tables or sector-specific attrition statistics that are suitable for actuarial modeling are limited and not regularly updated.

Furthermore, the Company's workforce is relatively stable, and termination benefits are primarily short-term in nature and payable upon cessation of employment irrespective of the reason for exit. In this context, the impact of attrition and mortality on the overall defined benefit obligation is not expected to be material.

Consistent with the materiality principle and the requirement under IAS 19 to apply best-estimate assumptions, management has therefore elected not to introduce speculative or unsupported assumptions that could distort the valuation results. This approach ensures that the actuarial estimates remain reasonable, transparent, and grounded in observable information.

Currency: Eth. Birr

Discount Rate (Cost of Capital)

In assessing AICC S.C's financial assumptions, an average commercial saving rate of approximately 12% per annum was identified based on recent market data from Ethiopian banks. This rate reflects prevailing market conditions where commercial loan interest rates average in the mid-teens. This benchmark was considered alongside inflation and broader macroeconomic conditions in setting financial assumptions.

18 RETENTION LIABILITY

		7/7/2025
Retention	309,619,073	291,314,381

18.1 Retention Transaction Movements (Reconciliation)

		7/7/2025
Opening Balance	**291,314,381**	**202,863,123**
Additional During the Year	18,304,692	89,715,893
Settlement	-	(1,264,635)
Closing Balance	**309,619,073**	**291,314,381**

18.2 Retention by Contractors

		7/7/2025
Opening Balance	**291,314,381**	202,863,123
CGC Overseas Construction Eth	-	63,677,205.87
Elevate Design PLC	2,554,908	10,732,524
Merhaba Trading One Member PLC	-	2,804,783
River Construction PLC	50,075	211,484
Zeplash trading plc	15,699,709	11,260,323
Settled	-	(235,061)
	309,619,073	**291,314,381**

These are amounts retained from suppliers of different services and goods to guarantee the performance of the work as stipulated in the contact agreements. The liability balances mature with in 12 months after the completion of the work for which the providers committed them selves

19 DEFERRED REVENUE

		7/7/2025
Deferred Revenue	168,407,866.85	9,302,788.04

19.1 Deferred Revenue Transaction Movements (Reconciliation)

		7/7/2025
Opening Balance	**9,302,788**	**6,013,675**
Additional During the Year	206,603,527	8,310,216
Settlement (Revenue Adjustment)	(47,498,448)	(5,021,103)
Closing Balance	**168,407,867**	**9,302,788**

These balances represent amounts that are collected from customers in advance and will be settled by means of providing services and extinguish as a result of passage of time. They expire with in the periods beyond in which they are collected and hence reported as non current liabilities.

Currency: Eth. Birr

20 PAID UP CAPITAL

SHARE HOLDERS	No. of Shares	Par Value		7/7/2025
	13,062,237	1000	13,279,583,000	9,976,134,341
		-	**13,279,583,000**	**9,976,134,341**

20.1 Changes & Movements in Share Transactions (Reconciliation)

		7/7/2025
Opening Balance	**9,976,134,341**	**3,899,278,304**
Additions	3,304,946,068	6,077,187,264
Adjustments	(1,497,409)	(331,226.97)
Closing Balance	**13,279,583,000**	**9,976,134,341**

20.2

SHARE HOLDERS	No. of Shares	Par Value	Share Amount
Addis Ababa Trade Businesses Organization	7,396,750	1000	7,396,750,000
Exhibition Center and Market Development	2,167,577	1000	2,167,577,000
Addis Ababa Butcheries Organization	795,077	1000	795,077,000
Siket Bank	760,940	1000	760,940,000
Ethiopian Airlines Group	300,731	1000	300,731,000
Addis Capital Goods Finance Business S.Co.	245,077	1000	245,077,000
Ethiopian Tourist Business Organization	179,851	1000	179,851,000
Commercial Bank of Ethiopia	160,883	1000	160,883,000
Government Employees	137,533	1000	137,533,000
Ethiopian Insurance Organization	452,805	1000	452,805,000
Ethio South Investment Group	97,301	1000	97,301,000
Bank of Abyssinia	79,149	1000	79,149,000
Dashen Bank S.Co.	58,310	1000	58,310,000
Wegagen Bank	56,666	1000	56,666,000
Ethiopian Insurance S.Co.	52,860	1000	52,860,000
Anbesa City Bus	37,833	1000	37,833,000
Awash Insurance S.Co.	37,402	1000	37,402,000
Addis Ababa Chamber of Commerce	12,611	1000	12,611,000
Sheger Transport Organization	12,611	1000	12,611,000
Derba Midrok Cement Plc.	11,045	1000	11,045,000
All Others	226,571	1000	226,571,000
	13,279,583		**13,279,583,000**

Currency: Eth. Birr

21 REVENUE FROM CONTRACTS

Revenue represents consideration received or receivable from the sale of goods in the ordinary course of the Company's business. The Company generates revenue primarily from the rent of offices, hall, furnitures and other assets. It also earns income by providing cafeteria and restaurant services.

Revenue

Revenue from contracts with customers is disaggregated by service type, as this best reflects how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

			2024/2025
Schedule B Office Rent		59,332,360	31,494,831
Exhibition Booth/Hall Rent	See below (22.1)	279,875,896	57,476,792
LED Screen & TV Rent		41,533,778	-
Refreshment & catering		57,170,847	-
Table & Chair Rent Income		354,165	-
Parking		2,130,744	-
		440,397,791	**88,971,622**

21.1 Exhibition Hall rent by Customers

Ministerial Offices	79,702,513
The Ethiopian National Dialogue Commission	30,816,943
PM Office	20,558,507
Addis Ababa City Administration Various Agencies	20,101,431
Wafa Marketing & Promotion Plc.	13,162,124
Fair Team Treading Plc.	12,951,625
Plan And Development Commission	9,206,797
Flawless International Business	8,475,077
Federal Republic Of Custom Com	4,902,541
Hpp Exhibition Service Plc.	4,834,912
Molt Ethiopia Digital Foundation	4,791,160
Ethel Advertising Communication	4,638,560
Ecsoc/Ethiopia Civil Society	4,041,065
Trade And Fairs Consulting Gmbh	3,976,624
Power Africa Event And Media	3,652,047
Nuroye Trading Plc.	3,391,187
Addis Custom Trading Plc.	3,246,263
Wings Education And Media	2,783,637
Petco Ethiopia	2,566,960
Ethiopian Capital Market Authority	2,502,339
Ethiopian Red Cross Society	2,045,146
All Others	37,528,438
	279,875,896

Currency: Eth. Birr

Recognition and Measurement

Rental income from Residential, Office, warehouse and store buildings is recognized on a straight-line basis over the lease term in accordance with IFRS 16 – Leases

The Company does not have significant financing components, variable consideration, or multiple performance obligations in its revenue contracts. Accordingly, revenue is recognized at a point in time.

Contract Balances

The Company does not have material contract assets or contract liabilities as at the reporting dates, as rent and service fees are generally settled on delivery or within short credit terms.

22 OTHER INCOME

Other income comprises income earned from activities outside the Company's ordinary revenue-generating activities and is recognized when the right to receive the income is established.

Components of Other Income

		2024/2025
Interest Income	9,742,272	14,103,061
Interest Income on Investment	14,501	-
Other Income	1,481,346	597,040
	11,238,119	**14,700,101**

Recognition

Other income is recognized when earned and when it is probable that the economic benefits will flow to the Company.

23 COST OF SERVICES

		2024/2025
Catering Service and Supplies	37,386,988.93	-
	-	-
	37,386,989	**-**

23.1 Cost by Service Providers

		2025/2024
Flint Food Cort	**14,845,473**	-
Gorgeous Cafe and Restaurant	22,541,516	-
	37,386,989	**-**

Currency: Eth. Birr

24 EXPENSES

24.1 ADMINISTRATIVE AND GENERAL EXPENSES

	Note No.	Schedule B	Schedule C	2026/2025	2025/2024
Salary & Employee Benefits	26	3,446,996.36	23,068,360	26,515,357	21,741,608
Board Allowance	26	201,509.99	1,348,567	1,550,077	2,554,326
Membership & Licensing Fee		1,626,505.57	12,024,995	13,651,501	493,210
Penalty				-	1,638,525
Fuel and Lubricant		346,628.69	2,319,745.82	2,666,375	2,981,108
Donation			2,700,000	2,700,000	779,900
Labor Expenses			4,165,583	4,165,583	309,892
Audit Fee		9,043.48	60,521.74	69,565	172,300
Professional Fee		796,842.49	5,996,726	6,793,568	3,233,024
Stationery & Office Supplies		471,051.52	3,152,422	3,623,473	1,633,759
Duties & Taxes	i	6,442,073.16	11,981,579.78	18,423,653	16,296,124
Rent Expense		37,000.00	625,491	662,491	1,037,235
Repair & Maintenance		125,202.02	1,549,225	1,674,427	5,425,437
Insurance		62,340.86	417,204.21	479,545	554,244
Depreciation Expenses	7 & 8	39,379,573.04	219,596,389	258,975,962	61,289,198
Amortization Expense-Startup Cost	10	2,554,547.60	17,095,818.55	19,650,366	19,650,366
Amortization Expense-ROU	9	57,397	384,121	441,518	834,469
Security Service		367,625.91	2,460,266	2,827,892	2,142,552
Travel Expenses		-	767,718	767,718	191,881
Utilities	iii	1,760,307.43	11,780,519	13,540,826	3,495,619
Cleaning Service and Material		397,075.59	2,657,352	3,054,428	3,304,440
General Assembly Expense		80,816.65	540,850	621,667	1,168,558
Mowing grass & Other Green area	ii		17,901,776	17,901,776	143,870
Guest Accommodation Expense		93,051.75	622,731	715,783	601,216
Promotional Expense		61,341.17	410,514.01	471,855	100,711,673
Accrued Leave Expense		130,910.71	876,094.78	1,007,005	1,024,221
Other Long Term Employee Benefit Expense		35,907.37	240,303.14	276,211	586,658
Deferred Tax Expense	16	289,673.76	1,938,586	2,228,259.67	-
Miscellaneous Expense		478.56	634,507	634,986	39,289
		58,773,901.07	347,317,965	**406,091,866**	**254,034,703**

I)

The percentage for the allocation of expenses(incured for both business types) to the commercial building and the convention center was based on their respective income percentage divided by the total revenue generated and the expenses that were not divided by the allocation ratio were allocated to their related tax category

Total income generated during the year	schedule B/Office Rent	schedule C/ Business income
440,397,791	59,332,360	381,065,431
100%	13%	87%

Currency: Eth. Birr

II) The table below show the list of expense that were not allocated based on percentage but allocated on their basis of relation to their business type & classification

Expense type	Shedule B	Shedule C
Membership & Licensing Fee		1,139,919
Donation		2,700,000
Labor Expenses		4,165,583
Professional Fee		664,011
Rent Expense	37,000.00	625,491
Repair & Maintenance		711,335
Mowing grass & Other Green area		17,901,776
Miscellaneous Expense		631,304
Duties & Taxe	6,442,073.16	11,981,580

III)

Depreciation	Total	Commercial Building Schedule B(13%)	Convention Center Schedule C(87%)
Motor Vehicles	1,796,903.01	233,597.39	1,563,305.62
Furniture & Fixture	13,343,127.20	1,734,606.54	11,608,520.66
Office Equipment	1,507,109.28	195,924.21	1,311,185.07
Computer Access.	342,745.80	44,556.95	298,188.85
Machinery /Asset directly related to Schedule c	1,508,743.18		1,508,743.18
Hospitality & Appliance Equipment/Asset directly related to Schedule c	1,607,075.41		1,607,075.41
Event, Stage & Facility Assets/Asset directly related to Schedule c	29,534,975.26		29,534,975.26
Other Assets	291,912.75	37,948.66	253,964.09
	49,932,591.89	**2,246,633.75**	**47,685,958.14**

IV)

Building	Total	Commercial Building Schedule B	Convention Center Schedule C
Depreciation of commercial building/rent	17,710,460.78	17,710,460.78	
Depreciation of convention center offices/rent (10.15%)	191,332,908.99	19,422,478.51	
Depreciation of convention center(89.85%)			171,910,430.77
	209,043,369.77	**39,379,573**	**219,596,389**

Currency: Eth. Birr

To ensure proper allocation of depreciation expenses, costs directly associated with a specific business type were assigned directly. Depreciation for assets shared between the two business categories was allocated on a percentage basis. While movable assets were classified as described above, the depreciation of the Convention Center was split between both business types because a portion of the building is leased as

$$\text{Allocation \%} = \frac{\text{Office rental Income from convention centert}}{\text{Total income generated from convention center}}$$

	Total income generated on convention center	schedule B/Office Rent on convention	schedule C/ Business income on convention
	311,496,337	31,620,441	279,875,896
	100%	10.15%	89.85%

i **Duties and Taxes**

		2025/2024
Property Tax	17,625,893	15,689,646
Payment of Annual Tax Loss	65,915	606,478
Fees for services provided by various Government Organizations	731,844	-
	18,423,653	**16,296,124**

ii **Mowing grass & Other Green area-By beneficiaries**

Belema Debela and Abebe Ground	2,233,618.63
Elevate Design PLC	5,127,652.18
Fantahun Tafese Frinds Topogrp	2,336,777.12
Lenda Mohamed and Friends Geze	2,264,410.87
Samuel Alemtsehay Friends Gree	2,251,918.76
Tizta Matios & Friends Seeding	2,137,454.67
Wendesen Kedir and Friends See	1,865,036.78
Yohannes Melse and Friends Che	2,056,446.26
	20,273,315.27
Inventory of plant materials	(2,371,539.05)
	17,901,776.22

iii **Utilities**

		2025/2024
Telephone ,mobile,Interenet	1,720,720.04	468,450.23
Electricity Expense	8,740,606.94	2,578,707.41
Water Expense	3,079,499.42	448,461.03
	13,540,826.40	**3,495,618.67**

24.2 **FINANCE COSTS**

		2025/2024
Finance Cost-Severance	219,215	-
Bank Service Charge	203,848	43,422
	423,062	**43,422**

Currency: Eth. Birr

25 RISK MANAGEMENT ISSUES

(a) Credit Risk

The company's principal financial assets include trade and other receivables, as well as cash and cash equivalent that arise directly from its operations. The main business risk faced by the company in respect of its principal non-derivative financial assets is credit risk.

Credit risk arises from deposits with banks, as well as trade receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by the banking regulatory authority. As for the other receivables Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors.

Bank balances are current accounts and fully performing. Trade receivables as well have no any impaired balances and fully performing. Please refer Note No. 5.

(b) Liquidity Risk

The company's principal financial liabilities comprise unearned revenues, retentions, Trade creditors and other liabilities to finance the company's operations and other liabilities. The major risk that the company can face with regard to the financial liabilities is liquidity risk. The management of the company reviews and determines policies for managing these risks.

Prudent liquidity risk management includes maintaining sufficient cash to meet company obligations. The company manages this risk by maintaining adequate cash balances in the bank, banking facilities and by continuously monitoring forecast and actual cash flows.

(c) Market Risk

(i) Interest rate risk

As at 7 July 2025 and 2026, the company did not hold any financial assets which were subject to interest rate risk. The interest rate risk with regard to the investment on financial assets is very minimal if at all it becomes effective

(ii) Foreign exchange risk

As at 7 July 2025 and 2026, the company did not have any financial asset or liability denominated in foreign currency.

(iii) Price risk

As at 7 July 2025 and 2026, the company did not hold investments that would be subject to price risk; hence this risk not relevant.

(d) Capital Risk Management

It is about the capital structure of the company and indicates the extent to which the company is solvent and stable in the long term. It is measured by the proportion of the gearing or leverage of the capital of the company with interest bearing debt.

Leverage/ Gearing Ratio of the company is as follows

Interest Bearing Debt/(Owners' Equity +Interest Bearing Debt) *100	7/7/2026	7/7/2025
Interest Bearing Debt	-	
Owners' Equity + Interest Bearing Loan	13,124,400,950	9,826,456,448
	0%	0%

The Company currently has no interest-bearing debt. Accordingly, it is exposed to minimal financial risk, and management considers that there are no indicators of financial distress."

Currency: Eth. Birr

26 RELATED PARTY TRANSACTIONS

KEY MANAGEMENT COMPENSATION

The amount of key management personnel compensation, is the following

Total Compensations	2026/2025	2025/2024
Employees	11,175,135	5,438,989
Managers	3,978,238	4,065,601
Directors	6,643,892	1,208,951
Chief Executive Officer	2,691,709	2,547,709
	24,488,973	**13,261,249**
Overtime+Uniforms+mobile card+medical+bonus	2,026,383.76	1,196,262.22
	26,515,356.85	**14,457,511.49**

Year 2026	Managers	Managing Directors	General Manager/CEO	Total
Short Term Benefits				
Salary	2,849,098	4,902,258	2,014,152	9,765,508
Other Short Term Benefits	907,807	1,202,386	456,000	2,566,192
Total Short Term Benefits	**3,756,904**	**6,104,644**	**2,470,152**	**12,331,700**
Long T.Compensation & Benefits				
Post Employment Benefit (Pension)	221,333	539,248	221,557	982,138
Other L.Term Benefits (Severance)	-	129,922	-	129,922
	3,978,238	**6,773,814**	**2,691,709**	**13,443,761**
Year 2025				
Short Term Benefits				
Salary	3,690,268	877,970	2,014,152	6,582,390
Other Short Term Benefits	223,100	234,404	311,000	768,504
	3,913,368	**1,112,374**	**2,325,152**	**7,350,894**
Long T.Compensation & Benefits				
Post Employment Benefit (Pension)	152,233	96,577	221,557	470,366
Other L.Term Benefits (Severance)	-	887,046.8	-	887,046.8
	4,065,601	**2,095,997**	**2,546,709**	**8,708,307**

Board of Directors Compensations

Board Members	Type of Compensations	2026/2025	2025/2024
11	Periodic fixed Payments	1,499,077	1,458,461
	Other Benefits	51,000	77,500
		1,550,077	**1,535,961**

27 CONTINGENT LIABILITIES AND COMMITMENTS

The company has no additional contingent liabilities and commitments which are not provided for in these financial statements.

28 IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information

The company has conducted Sustainability related risk assessments in respect of entity's governance, strategy, financial performance, and prospects. There are no any climate and environment, social and human capital, physical and supply chain, Transitional and policy, economy and market, governance and Risk management related risks that can affect the smooth day to day and strategic operations of the company.

Currency: Eth. Birr

29 IFRS S2 — Climate-related Disclosures

There are no any Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects and the company couldn't apply IFRS S2. [IFRS S2:4]

30 NEW STANDARDS OR AMENDMENTS ON STANDARDS AND INTERPRETATIONS

Standards/Amendments not yet effective

STANDARD	Nature of change	Effective Date
Lack of exchangability-	Requires an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.	1 January 2025
IFRS 1 First time Adoption of IFF	Hedge Accounting for first- time adopter	1/1/2026
IFRS 7 Financial Instruments: Disclosures	Gain or loss on derecognition	1/1/2026
Guidance on implementing IFRS 7 Financial Instruments: Disclosures	Introduction, disclosure of deferred difference between fair value and transaction price, and credit risk disclosures.	1/1/2026
IAS 7 Statement of Cash Flows	Cost method	1/1/2026
IFRS 9 Financial instruments	Derecognition of lease liabilities and Transaction price	1/1/2026
IFRS 9 and IFRS 7 Financial Insti	Contracts referencing nature-dependent Electricity	1/1/2026
IFRS 9 and IFRS 7 Financial Insti	Amendments to classification and measurement of financial instruments	1/1/2026
IFRS 10 Consolidated Financial Statements	Determination of a 'de facto agent'	1/1/2026
IFRS 18 Presentation and Disclosure in Financial	Replaces IAS 1, reshaping the income statement with mandatory categories (operating, investing, financing) and defined subtotals.	1/1/2027
IFRS 19 Subsidiaries without public accountability	Subsidiaries without public accountability:-Permits eligible subsidiaries to use reduced disclosure requirements.	1/1/2027
IFRS for SMEs Accounting Standard (3rd Edition)	Replaces the 2015 version to align closer with full IFRS updates.	1/1/2027
Amendments to IAS 21	Introduces new rules for translation to a hyperinflationary presentation currency.	1/1/2027

There are no other new standards and amendments to standards and interpretations that are not yet effective and that would be expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

Lack of exchangability-Amendements to IAS 21

The company has assessed the exchangeability of the currency into another currency for the year ended July 7, 2026, and determined that it is exchangeable.

31 EVENTS AFTER REPORTING PERIOD

In the opinion of the management, there were no significant post balance sheet events which could have a material effect on the state of affairs of the company as at July 7, 2026 and on the profit for the period ended on that date, which have not been adequately provided or disclosed.