



eTech

Ethical, Ethiopian, End-To-End



**20²⁰
21**
**ANNUAL
REPORT**





eTech Logo Meaning

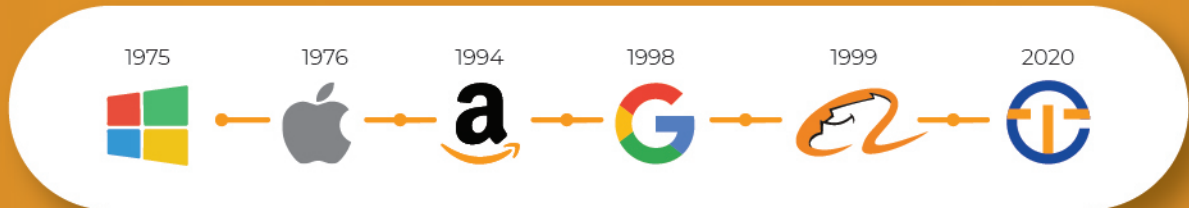
T: Technology and Truth

e: standing in technology - electronic, e-mail, e-commerce, e-business, e-banking, e-frastructure and e-book., e-Learning etc.

Color:

Blue: Stability, trust, Security, loyalty, sincerity, wisdom, confidence, stability, faith, heaven, and intelligence

Orange: dynamic, joy, creativity, wellness and emotional energy.



eTech Three Pillar's





**Together We
Can Build
Smart & Ethical
World**

**“Technology is dramatically changing, let us
move with the speed of technology to
transform the world challenge”**

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About eTech

Ethiopian high-caliber IT professionals from all around the country and the world have banded together to form a new company called "eTech."

eTech is envisioned to provide an end-to-end ethical technology solution to any business indiscriminately to all who needed any technology solutions.

Besides, it is devoted to contributing its best in changing the traditional tit for tat business set up to ethical business practices, which ultimately boosts mutual trust between companies and customers.

On May 16, 2020, the founding members held their first virtual meeting, which was attended by ten technological experts and came up with the idea of eTech. The world was temporarily under lockdown due to the pandemic novel coronavirus (Covid 19), one of the agendas was to see how technical teams could support Ethiopians residing in rural communities who seem to have scarce food, no bank, and no market access, as well as those who work for with very little income.

After analyzing a variety of options, the ultimate recommendation was to work on an online platform for local contributors as the best way to assist like "GOFund me" crowdfunding. However, despite excellent technical design and development, the team is unable to obtain payment facilitators or getaways API to launch the project owing to the team's lack of a formal and legal identity at the time. As a result, the conference was adjourned with the team allocating 5 experts to research the idea further and propose solutions to the problem.

Our Mission

Create a borderless ICT experts' Eco-system to do ethical end-to-end business anywhere.

Teams convey eTech's whole notion to the remaining team after a week of day and night hard work. As a result, everyone on the team agreed to take the initiative and decided to extend and speed up the process of turning ideas into a business. Today, eTech was created on the foundation of "Ethical, Ethiopian, and end-to-end" ICT solutions, and is led by a team of highly experienced technical and business professionals from continents of the world.



Our Vision

To be a pioneer in providing Integrated Ethical Technology Solutions in Ethiopia and a noticeable player in the world by 2030.

Company Values

- Quality
- Customer satisfaction
- Loyalty, Trust, and Integrity
- Technological excellence
- Empowering partners



eTech S.C. Timeline



Board Chairman's Message



Eng. Melaku Ezezew Yenieneh

MBA, Bsc, Business Leader

Dear Respected shareholders,

On behalf of the Board of Directors and myself, I am delighted to report that the past year has been extremely fruitful; eTech has achieved tremendous success in just one year. This year was seeing the establishment of the foundational strategy for achieving our 2030 vision of becoming a pioneer in providing Integrated Ethical Technology Solutions in Ethiopia as well as a noticeable player in the world.

2020/21 has been a year of significant changes and difficult but necessary decisions aimed at the company's transformation. We have laid the groundwork for a future of orderly, long-term, and profitable growth.

As I stated before eTech is a timely company, in terms of legislation and strategies, such as the reform of the trade law, the government has currently created a favorable climate in which we can establish Ethiopian and large technological enterprises to fill the wide and increasing sector.

The government is attempting to expand the sector through initiatives such as the digital strategy 2025, which aims to boost the sector in terms of service, product, and job creation, among other things. Recognizing thus, we have undertaken an ambitious set of structural actions and decisions that are transforming the operational dimensions of eTech. We are confident that the setup we have created thus far will make eTech more Successful in the coming years.

Therefore, all shareholders are expected to participate on various tasks or projects, as you all know eTech's unique flavor is "Creating a borderless ecosystem" with Partnership and Engagement modality. With this engagement initiative some of exports starting working on different projects but not yet as we expected.

Further, it is good opportunity for all existing shareholders to invest on eTech more. We have a plan to close the 200 Million floated shares by the coming June 2022. Accordingly, we allocated same amount that you subscribed yet to make your subscription double for existing shareholders only. For those shareholders who needs to subscribe more than 100% we will have also a space to entertain but limited, which needs immediate communication now on wards.

Before I conclude my statement, I would like to take this opportunity to thank my fellow board members. Board members are the fiduciaries who steer the organization towards a sustainable future by adopting sound, ethical, and legal governance and financial management policies, as well as by making sure the organization has adequate resources to advance its mission.

eTech's Board of Directors invested their time and effort into shaping the organization into what it is today. Regardless of living in different continent and time zone, each member of the board has contributed in every way they can, from assisting the management team in their areas of expertise providing onboarding training to employees, sharing experience etc to building processes and guiding documentations.

Finally, recalling that eTech has come a long way and has still a long way to go, I want to assure you that in the years to come, our organization will strongly pursue the laid down visionary strategy to bring about excellence and further penetrate the market to play the leading role in the technology industry.



Eng. Melaku Ezezew Yenieneh
Board Chairman

Who We Are

eTech is an end-to-end ICT solutions provision company setup by highly skilled technical and business professionals from around the world. These diverse experience skills make eTech uniquely equipped to be a leading participant in the technology accelerated transformation Ethiopia has envisioned.

Board Of Director's



Eng. Melaku Ezezew Yenieneh

Board Chairman

MBA, Bsc, Business Leader

President of the Ethiopian Chambers of Commerce & Sectoral Associations (ECCSA)

Addis Ababa, Ethiopia



Dr. Mengistu Bogale Ayele

Vice Chairman

Ph.D., CGEIT, CoBIT

Business and Information Systems Professional consulting in Ethiopia. He has a multidisciplinary academic and practical knowledge in business and IS for more than 22 years

Addis Ababa, Ethiopia



Mebratu Tsigie Desta

Board Secretary

IT Expert Project Manager, MSC

Is an expert in electronics and Information communication engineering over 15 years, he is also talent in literature writing.-

Addis Ababa, Ethiopia



Dr, Eng. Belachew Chekene Tesfa

Board of Director

Ph.D. , MIMechE, CEng

20 years of experience Chartered Engineer in UK engineering Council and trained in modeling, data engineering and six sigma

Birmingham, UK



Mekdes Mintesinot Abayneh

Board of Director

CIO, CQPO, CISO

Chief Information Security Officer at Ethio telecom, with over 37 years of experience in IT leadership, transformation, Program/Project Mang. & Change Management, technology enhancement & business & IT strategic alignment in the Telecom Industry.

Addis Ababa, Ethiopia



Mastewal Gettu Endalamaw

Board of Director

MSc, Project Manager, Tech Leader, & Community Empowerment

IT professional for 24 years certified in Java developer worked at Software giant Companies including: Microsoft Corporation, Amazon Corp and Capital-One Financial

Seattle, Washington USA



Balew Mersha Desta

Board of Director

Masters in Law (LLM)

Qualified legal scholar with multidisciplinary academic and practical business advising background with over 20 years of experience.

Addis Ababa, Ethiopia



Eng. Sisay Denboba Midekssa

Board of Director

MSc, MSCS

20 years of professional experience in solution architecture, team lead, technical lead and software development

Silver Spring MD, USA

Board Of Director's

eTech brings a unique type of company formation in Ethiopia with the mission of "Creating a borderless ICT Exports Ecosystem anywhere". Likewise, eTech's Board of Directors are organizing from different continent to achievement the mission.



Introduction to Our services

Why You Choose Us?

- We use high cutting-edge technology,
- We delivered end to end solutions,
- We have borderless ICT experts, who has international exposure
- Ethics is the back bone of our brand

Software Development



The development of reliable and scalable software solutions for any OS, browser and device. We bring together deep industry expertise and the latest IT advancements to deliver custom solutions and products that perfectly fit the needs and behavior of their users.



Infrastructure & Telecom

Our main objective is to enhance the productivity of your business with world-class IT infrastructure solutions. We insure you to provide Professional IT consultancy, Best IT infrastructure deployment & Reliable support with certified engineers.

- Network & security
- Compute & storage
- Unified communication & video conferencing
- Datacenter facility
- Enterprise software & cloud

Fintech & eCommerce Solutions



eTech will be your new brand with state-of-the-art solutions enhancing CX through merchant accessibility. Aims to provide flexible, faster, and better financial services by leveraging the internet, mobile devices, and technology. Our solutions are

- Fintech & eCommerce
- Cutting Edge Technologies & Integration
- Trasport & Delivery



Cyber Security

We deliver enterprise-grade cybersecurity services that are comprehensive, customizable, and address the entire security landscape.

- Awareness Program
- Governance & Management
- Audit & Evaluation etc.

eTec Future Solutions Focus Areas



- Create great Technology ecosystem for all.
- Represent Africa, in technology for other world.
- Automat and Integrate the countries health and transport system.
- Big player in a digital banking.

Do You Have A Product Or Innovative Idea In Mind?
Reach Us Through

Email: info@etechsc.com
Website: www.etechsc.com

Chief Executive Officer's Statement



Shimels G/Medin Kassa

CISA, COBIT, CEH, CMC, MSCS

eTech's share has extremely high demand in the market, considering that we advise our existing shareholders to make their own share double to utilize opportunity until June 30, 2022, by paying minimum of 25% of the total subscription. I believe, it is very encouraging news to the shareholders.

Dear Respected shareholders,

On behalf of the Management of eTech S.C. and my behalf, I would like to congratulate all shareholders, respected Board of Directors, esteemed customers, committed Management members, all hard-working staff, and other stakeholders of eTech on the extraordinary achievement recorded by our company in almost all financial and non-financial parameters for the financial year ended June 30, 2021, during the birth year of this company. We are delighted to inform you that the past year has been extremely successful and profitable, during this period a great foundation was established to leapfrog in to next amazing step.

For eTech, 2020/2021 has been a year of idea formation, Cultivation, Hastening, Implementation, laying a foundation, and performing. Besides being profitable within one year of implementation, our organization has undertaken an ambitious range of structural actions, strategic direction, and decisions that are transforming eTech's in every dimension and help to lead the industry.

To remind you, eTech's formation process was not an easy journey, to emerge ideas to reality took a lot of effort, concentration, and time on top of risk-taking actions. The impact of this global pandemic was unparalleled, and it resulted in the closure of businesses domestically as well as globally. The health crisis led to an economic crisis, which in many places led to a social crisis as a result of what is referred to in economics as a domino effect. Moreover, the unstable Social-economic and Political conditions of the country also hinder the company growth in comparison to our expectations.

Therefore, executing eTech's idea to reality was made significantly more difficult as a result of the aforementioned situations; but regardless of these challenges, our organization adapted to these conditions and thrived through the difficulties, which was quite an impressive achievement. This was made possible through the impeccable work of our employees and the founding members of this company, all of whom played a major role in keeping our operation up and running.

Our greatest accomplishments would not have been possible without the combined efforts of our Board of Directors, management, employees, customers, and most importantly our pioneer shareholders; you believed in our mission and invested your money in it. Your unwavering dedication in turning this great idea into a reality that will change Ethiopia's technology landscape will not go unnoticed.

It is also worth mentioning that the companies' annual achievement was by far greater than the predicted cascaded yearly planned target to be implemented, eTech's profit before tax stood at Birr 2.07 million from Birr predicted loss of 2.8 million, which is 4.87 million ahead of the from the target. Following the shareholders'

decision at its 1st Extraordinary Meeting held on October 16, 2020, to raise the paid-up capital of the company from Birr 883,200 to Birr 200 Million, in three months number of shareholders increase to 525 from 24, the subscription will reach to 74 Million and the paid-up capital reached Birr 66 Million, from this amount 54% was paid in foreign currency, which brings a huge opportunity for eTech as well as for the country. Our paid-up is around 90% of the subscription, which shows our shareholders dedication and share management team strength. Further, eTech's share has extremely high demand in the market, considering that we advise our existing shareholders to make their own share double to utilize opportunity until June 30, 2022, by paying minimum of 25% of the total subscription. I believe, it is very encouraging news to the shareholders.

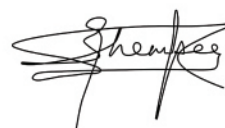
Apart from the above financial indicators, 2020/21 was thriving in many non-financial respects as can be substantiated with the following, among others:

- 1 Prepared a great strategy of three years, it will be put in place started January 2021.
- 2 Strict Performance Management System: Planning, organizing, staff capacity empowerment, staff motivation/rewarding, and penalty as well internally developed and put in place.
- 3 Projects eHMS, eShare, eKuteba and eNigid were finalized and will be launched by the coming January end.
- 4 Two big technology projects (Rid system and ERP) are under development.
- 5 Taking our global shareholders presence and market opportunity, we are exploring opening two offshore offices abroad to get international business opportunities.
- 6 Headquarter building procurement process was started, but it was stacked because of the new national bank loan related directive, it will be our next milestone.
- 7 To realize one of eTech's objectives "contributing to the society" eTech's staff and the company itself was started supporting children school fund in collaboration with one of local NGO and blood donation contentedly for Blood Bank.
- 8 To enhance staff capacity by providing the necessary onboarding and other advanced training in-house.
- 9 To motivate and encourage staff to take a new initiative, every month staff forum and employee of the month awarding program has been executed.
- 10 Our Engagement and partnership framework were well prepared and approved by the board, which makes eTech a unique company in the country and bring magnificent impact to the nation.

As a corporate entity, we are responsible for driving our business forward to maximize the benefit of all our stakeholders. We are excited about 2022 because we plan to achieve tremendous goals despite the obstacles that our country is facing, including the pandemic.

I am still optimistic about eTech futurity in the coming two to three years: I believe 100 Million's Revenue will generate, millions of contributions to the society, hundreds of employment opportunity, thousands collaborate with eTech, dozens of new products will launch for the market, expand the business to other countries, serving thousands of clients, and pay dividend for shareholders better than any industry in Ethiopia.

As a final note I would also like to express my gratitude once again to our Shareholders who trusted us investing, our Board of Directors deserve special recognition for their outstanding efforts in leading and supporting the Management consistently, Government Offices especially Ministry of Innovation and Technology (MiNT), Information Network Security Agency (INSA), and Ministry of Trade & Industry for their support, advice, and encouragements in our effort to achieve our business objectives and all collaborators for their unwavering support and faith in our activities.



Shimels G/Medhin
Chief Executive Officer



Thank you, and May the Almighty God bless us all and our country!

Executive Management



Shimels G/Medhin Kassa

Chief Executive Officer

CISA, COBIT, CEH, CMC, MSCS

Over 16 years of IT and Business Leadership, Consultancy, Cyber-security and other professional Experience.



Kidane M. Tekle

Dev. Consultant

Technology Expert, Solutions Architect

18+ Years of technology, projects & business leadership.



Estifanos Berhanu Zergaw

Chief Business Devp. Officer

MBA in Business Administration, BA in finance

Business and financial specialist with over 16 years of experience and a slew of international certifications.



Million Yitbarek Habtemariam

Chief Fintech & Infra. Officer

DFIS Mobile Money, ITIL Foundation, NSE 1&2, Select System

Over 13 years of experience in IT from System development to Management and hand on experience on areas of payment switch, ecommerce, HSM, wallet system and security compliance.



Ayitenew Azmeraw Ayenew

ICT Talent & Acq. Engagement & Partnership Manager

MSc -Project Planning Management, BSc-Computer Science

Over 12 years experience in IT Project Management and Software Development.



Eyoas Adefris Desalegne

Telecommunication & Infrastructure Manager

HPE ASE, CAPM, MCP, Sage X3 ERP

Experienced IT Infrastructure Engineer and professional project manager with 13+ years' proven experience.



Yonas Tizazu Zeleke

Cybersecurity Engineering & Audit Manager

CEH, CCNA Cyber ops, CCNA Sec, CCNP, MCTS, MCP

Experienced Cybersecurity professional in management and technical areas for over 12 years with a demonstrated history of working in the financial industries.



Mulugeta H. Woldu

Principal: SW Architect

Manager, Technology Expert, ERP Consultant, Software Architect

7 year of experience in Technical areas for over years with a demonstrated history of working in the different technology companies.

eTech Shareholders Data



200 M

Authorized Capital

eTech has an authorized capital of 200Million, of which 74Million was subscribed as of June 30, 2021,

64Million was paid up capital from the paid-up capital 54% was collected in USD.

525

Shareholders

eTech originally established by 24 founding shareholders with the diverse expertise.

In the first 3 months share floating 501 new shareholders join eTech.

20+

Conuntries

Originally from 24 shareholders 7 are diasporas. After first sales on June 30, 2021 from 525 shareholders only 276 are from Ethiopia the others are from 21 different countries. The majorities from abroad was U.S.A that is 191.

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Independent Auditor's Report On The Accounts Of

eTech Share Company

Report on the audit of the financial statement

Opinion

We have audited the financial statements of e Tech Share Company which comprise the statement of financial position as at July 7 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, or give a true and fair view of the financial position of the Company as at July 7 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Responsibilities of Directors and Management for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as managements determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless managements either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Directors are responsible for overseeing the Company's financial reporting process.



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Chartered Certified Accountants (UK) and Authorised Auditors (Ethiopia)

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Independent Auditor's Report On The Accounts Of

eTech Share Company

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on other Legal and Regulatory requirement

We have no comment to make on the report of your Board of Directors so far as it relates to these financial statements in accordance with the Commercial Code of Ethiopia of 2021 (Proclamation No-1243/2021), recommend approval of the financial statements.

Tafesse, Shisema and Ayalew certified audit partnership (TMS plus)
Certified Accountants (UK)
Authorized Auditors (ETH)



Addis Ababa
21 September 2021

Turning Your Business For
Performance And Innovation

eTech Share Company

Statement of Financial Position

As at 07 July 2021

ASSETS	Notes	Currency: Ethiopian Birr
NON CURRENT ASSETS		
		<u>7-Jul-2021</u>
Property, plant and equipment (net)	5	4,305,213.94
Investment		953,891.80
		<u>5,259,105.74</u>
CURRENT ASSETS		
Good intransit		236,566.72
Receivables	6	203,317.39
Prepayments	7	95,342.04
Cash and cash equivalents	8	64,085,261.29
		<u>64,620,487.44</u>
TOTAL ASSETS		<u><u>69,879,593.18</u></u>
EQUITY AND LIABILITIES		
EQUITY		
Paid up capital	9	65,993,450.00
Retained earning	10	1,771,383.36
		<u>67,764,833.36</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	14	9,781.83
		<u>9,781.83</u>
CURRENT LIABILITIES		
Short -term trade and other payables	12	1,976,802.99
Unearned revenue	13	128,175.00
		<u>2,104,977.99</u>
TOTAL LIABILITIES		<u>2,114,759.82</u>
EQUITY AND LIABILITIES		<u><u>69,879,593.18</u></u>

**Our Products | eHMS**

Health System enables health care providers to better manage patient care. The development of a digital health solution for Ethiopia is one of our main undertakings. eTech introduces its new digital health solution eHMS that incorporate an end to end digital solution designed to assist Ethiopia in generating a more productive and healthy population.

eTech Share Company

Statement of Profit Or Loss & Other Comprehensive Income

For The Year Ended 07 July 2021

Currency: Ethiopian Birr

	<u>Notes</u>	
REVENUE	15	13,627,278
COST OF SERVICE	17	(8,340,662)
Gross Profit		<u>5,286,616</u>
Other income	16	5,572
		<u>5,292,189</u>
Administrative expense	18	(6,304,598)
Operating profit /loss/		<u>(1,012,409)</u>
Finance income		1,085,964
Foreign exchange gain/loss		<u>2,005,554</u>
Profit before tax		2,079,108
Profit tax	20	(297,943)
Legalreserve		
Profit for the year		<u>1,781,165</u>
Other comprehensive income		-
Other comprehensive income not to be reclassified to		-
Profit or loss in subsequent periods:		-
Other comprehensive income (loss) for the year net of tax		<u>-</u>
Total comprehensive income for the year, net of tax		<u><u>1,781,165</u></u>



Our Products | e-ሽር

e-ሽር is an advanced shareholders management tool designed to help your firm manage your shareholder's information and always keep them informed of any changes. The system streamlines the complexity of managing detailed shareholder records.

eTech Share Company

Statement of Change In Equity

For The Year Ended 07 July 2021

	Retained earning	Paid up Capital	Legal reserve	Total
Opening balance	-	-	-	-
Profit for the period	1,781,165.19	65,993,450	-	67,774,615.19
Deferred tax liabilities	(9,781.83)			(9,781.83)
Transfer to Legal reserve		-	-	-
Balance at 7 July 2021	1,771,383.36	65,993,450	-	67,764,833

Engagement is eTech's Unique Flavor

eTech is an end-to-end ICT solutions provider company that works in different areas of information technology. By its nature, eTech's ability to provide high-quality services depends greatly on engaging talented individuals and institutions working in related areas.

Considering this, eTech has defined a clear framework of engagement that enables eTech to have managed, legally enforced, and highly effective relations with individuals and institutions. The framework will help to identify areas of collaboration and devise legal and operational details for their realization. It will also help to expand our business base to other countries and increase marketability.

Our Engagement and Partnership model addresses any talent who has aligned with eTech's mission and vision. This attitude and model of working together arises from those people who have long-time experiences and excellence in a successful business.

Based on this initiative eTech team are developed a framework that aims to set a direction to manage engagements with individuals and institutions.

If you have the below-listed skill set or product, we are very happy to engage you with this Call for working with eTech includes the following.

Engagers who fulfill the following criteria will be part of eTech's Engagement Program:

- Share the mission and vision of eTech S.C.
- Proven talent or competence.
- Preferred if he/she/they have shareholder of eTech.
- Have innovative ideas, innovative technological solutions, or services that can be marketable in the sector.
- Dedicated to working in a spirit of mutual benefit and collaboration.
- Willing to follow eTech's standard and legal framework

eTech Share Company

Statement Of Cash Flow

For The Year Ended 07 July 2021

Currency :- Ethiopian Birr

Cash flow from Operating activities

Profit before tax	1,781,165
Adjustments for:-	
foreugn exchange Gain /loss /	-
Depreciation & impairment of property, plant & equipment	194,053

Cash flow from oerating activities before working capital changes

	1,975,218
Decrease/Increase/Inventories	(236,567)
Decrease/Increase/ in current trade and other receivables	(203,317)
Decrease/Increase/ in prepayments	(95,342)
Increase /decrease/unearned income	128,175
Increase/Decrease/ in short term trade and other payables	1,976,803
	1,569,752

Net Cash flow from operating activities

3,544,970

Cash flow from investing activities

Purchase of property, plant and equipment	(4,499,266)
Increase in investment	(953,892)
	(5,453,158)

Net Cash flow from Investing activities**Cash flow from Financing activities**

Capital Contribution	65,993,450
	65,993,450

Net Cash flow from Financing activities**Net increase in cash and cash equivalent**

64,085,261

Cash and cash equivalent at the beginning of the year

-

Cash and cash equivalent at the end of the year

64,085,261

Cash on hand

Cash at bank

64,085,261

64,085,261



eTech Share Company

Notes Of The Financial Statements

For The Year Ended 07 July 2021

5. PROPERTY PLANT AND EQUIPMENT

Cost	<u>8-Jul-20</u>	Addition	<u>7-Jul-2021</u>
Computer & Accessories	-	3,693,791.13	3,693,791.13
Office Furniture & Equipment	-	805,475.35	805,475.35
		<hr/>	<hr/>
		-	4,499,266.48
Depreciation			
Computer & Accessories	-	164,239.42	164,239.42
Office Furniture & Equipment	-	29,813.12	29,813.12
		<hr/>	<hr/>
			194,052.54
Net Carrying Amount		<hr/>	<hr/>
	-	4,305,213.94	4,305,213.94



Our Products | e-ቆጠባ

e-ቆጠባ is an advanced data and process management tool designed to help credit and saving associations to easily manage their data and members information using advanced technology process.

eTech Share Company

Notes Of The Financial Statements

For The Year Ended 07 July 2021

6. Trade and other Receivables

Trade and other receivables are non- derivatives financial assets carried at amortized cost which doesn't generate an interest and are a result of ordinary business transaction for the company. The carrying value maybe affected by changes in the credit risk of the counter parties.

	<u>7-Jul-2021</u>
Withholding tax receivables	190,299.62
Trade & other receivables	13,017.77
	<u>203,317.39</u>

7. Prepayments

Prepayments under IFRS presented separately in the financial statements and carried at cost.

	<u>7-Jul-2021</u>
Prepayments	95,342.04
	-
	<u>95,342.04</u>

8. Cash and Cash equivalents

Any amount where it satisfies the definition of cash and cash equivalent categorized into cash accounts.

	<u>7-Jul-2021</u>
Cash at bank	-
	64,085,261.29
	<u>64,085,261.29</u>

9. Equity

	No. of Shares	Par value	Total Amount
9.1. Paid up Capital	659,934	100.00	65,993,450.00
			<u>65,993,450.00</u>

10. Retained Earning

	<u>7-Jul-2021</u>
Openning balance	-
Defred tax liabilities	(9,781.83)
Profit or /loss/ for the year	1,781,165.19
	<u>1,771,383.36</u>

11. Income Taxes

eTech S.C is subject to income taxes in Ethiopia and the rate of business income tax applicable to a business is 30%.



eTech Share Company

Notes Of The Financial Statements

For The Year Ended 07 July 2021

12. Trade and other payables

	<u>7-Jul-2021</u>
Account payable	700,463.87
Withholding Tax payable	520,124.42
Employee Income Tax Payable	131,103.70
Pension Payable	19,032.00
Sundry payables	606,079.00
	<u>1,976,802.99</u>
Long term trade and other payables	-
Short term trade and other payables	<u>1,976,802.99</u>

13. Unearned revenue

	<u>7-Jul-2021</u>
Advance collection	128,175.00
	<u>128,175.00</u>

14. Deferred tax Liabilities

PPE per IFRS	4,305,213.94
PPE per tax	4,272,607.86
Temporary difference	32,606.08
Deferred tax liabilities 30 %	<u>9,781.83</u>

15. Revenue

	<u>7-Jul-2021</u>
Service Income	11,259,893.43
Sevice Income	2,367,384.89
	<u>13,627,278.32</u>

16. Other Income

Other income	5,572.37
	<u>5,572.37</u>

17. Cost of Service

	<u>8,340,661.83</u>
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eTech Share Company

Notes Of The Financial Statements

For The Year Ended 07 July 2021

18. Administrative Expense	7-Jul-2021
Salary & related	3,145,036.80
Deprciation Expense	126,134.15
Bord Members	1,214,869.01
Loading unloading expense	12,192.50
Promotion & Advertizement	420,479.74
Utility Expense	31,084.10
Cleaning and sanitary	30,963.91
Other Expense	295.00
Bank service Charge	1,756.23
Telephone Expense	21,549.16
profetional Service Fee	530,086.77
Staff training Expense	20,271.30
License & Registration Fee	38,727.14
Printing & Stationary	85,422.95
Office Rent expense	263,208.60
Mentianance and Repair expense	135,079.64
Miscelanious expense	44,367.06
Office facility expense	28,118.59
Server hosting expenses	154,955.56
	<u>6,304,598.21</u>

19. Transactions with key management personnel

Key management personnel benefits	7-Jul-2021
Employee Benefit	1,214,869.01
	<u>1,214,869.01</u>

20. Tax Reconciliation as per IFRS and tax Profit per IFRS

	2,079,108.44
Less; income tax deducted at source	
Interest Income	(1,085,964.27)
Foreign exchange gain/loss	
Taxable income	<u>993,144.17</u>
Profit tax	<u>297,943.25</u>
Withholding receivable	488,242.87
Profit tax payable/receivable	(190,299.62)

21. Events after the reporting period

There were no significant events other than COVID-19 Pandemic which could have a material effect on the state of affairs of the Company as at 07 July 2021 and on the profit or loss for the period ended on that date, which have not been adequately provided for or disclosed. The recent emergence and spread of the Coronavirus (COVID-19) has affected economic activity on a global scale and eTECH S.C is not an exception. The effect may continue for significant period of time and the SC's financial position, financial performance and cash flows may materially decrease.

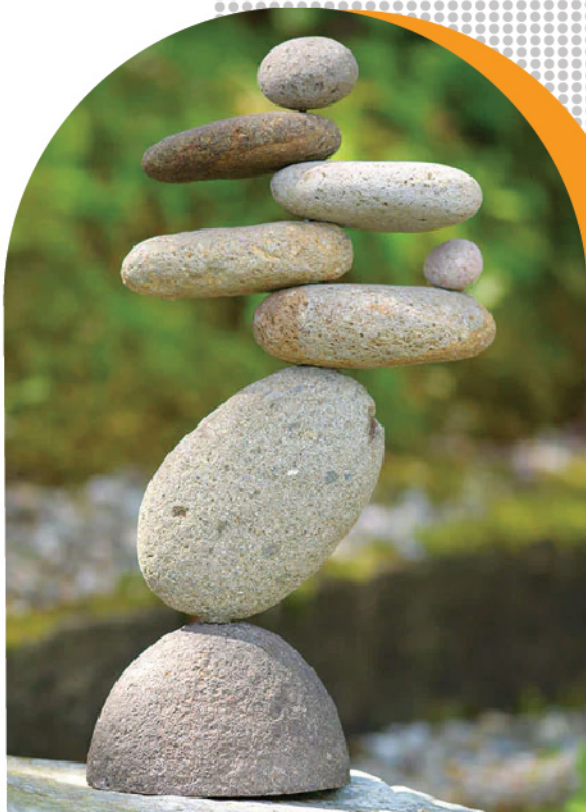


Our Company Culture

Work culture is a combination of attitudes, beliefs, and actions that constitute the normal atmosphere in a workplace. Healthy workplace cultures integrate employee habits and business policies with the organization's overall goals, while also taking individual well-being into account. Work culture influences how well a person fits in at a new job and their capacity to form professional relationships with coworkers.

The culture of your workplace influences your attitude, work-life balance, growth possibilities, and job satisfaction. Leaders at eTech strive to create a modern and fulfilling workplace for their valued employees. We are constantly looking for ways to increase productivity while also providing job satisfaction and opportunities for personal development.

The following are eTech's golden seven fundamental cultures that have been embraced to ensure the overall success of our purpose while maintaining a high degree of job satisfaction.



1. Communication

Open communication is critical for a productive workplace environment. Strong effort is put in so that everyone in eTech understands how to give and receive feedback, share ideas, collaborate, and solve problems. We strongly encourage the culture where people are free to speak up about any concerns, they might have to be able to work towards their successful resolution.

2. Accountability

Accountability is systematically enforced throughout eTech to build a healthy work environment. Departments and teams make their plans and work towards the realization of these goals. A culture of accountability via periodic reflection creates a healthy work environment where deviations (i.e., over achievements or shortcomings) are taken as lessons for plans and executions.

3. Recognition

Through recognition, we are aiming to create a vibrant work culture at eTech. The Management team is constantly on the lookout for positive qualities and accomplishments and recognizes them in order to generate a sense of encouragement. Recognition programs range from verbal praise from immediate superiors to employee-of-the-month and other recognition initiatives. Appreciation and reprimand are two instruments for always exercising recognition on all workers.

4. Continuous Improvement

At the heart of all eTech's endeavors is the principle of Kaizen (continuous improvement). Through Kaizen principles, all activities of eTech undergo planning, execution, and reflection phases to give quantitative indicators of what needs to be improved moving forward. We believe that there is no possibility to stay still and do things as before in this dynamic, ever-changing world.

5. Ownership

For the sake of the company's success, everyone has firmly adhered to taking ownership of everything that happens in his domain or circle, and even the management of eTech is expected to exercise ownership plus extended ownership. Taking on the duties of others on top of one's own is an example of extended ownership.

6. Commitment

The quality of being dedicated to a cause or action is referred to as commitment. Every eTech staff at any level is committed to achieving whatever is asked of them. There is no place for anything or any acceptable justifications if the expected tasks are not completed.

7. Exploring Assumption

An assumption is something that is believed as true or certain to happen without being proven. Exploring assumptions is the process of determining if an assumption is accurate or untrue. eTech teams are strictly banned from making assumptions based on their own knowledge or experience without first obtaining clarification from the cause's owner.

eTech aspires to be the best workplace in Ethiopia, by applying modern concepts, encouraging active engagement from its employees, and focusing on continual improvement.

Staff Forum

A staff forum is a platform through which employees may learn all about eTech's projects as well as what is going on in each department. When we designed this program, we intended to improve company performance by reducing misconceptions, fostering trust, and stimulating employee innovation, as well as creating harmony between Board, management and employees.

Employees are more motivated if they have good relationships with the board of directors and management directly, which helps them understand their duties and how their roles impact the company's outcomes. With this goal in mind, our HR department organizes such forums at the end of each month, where each department manager shares their department's status and projects being carried out by the company, discusses employment-related issues, and requests the employer to consult, contribute ideas, and communicate new practices and policies.

Here at eTech, we have been organizing monthly staff forums where we arrange a stage for our Experts and staff's share their professional and personal development experiences.



The board members are also invited to get input directly from employees, share ideas and their professional success, and also award employee of the month on this forum.

Thank you Eng. Melaku, Wro Mekides, Eng. Meried, Eng. Mebratu for your experience sharing on the last eTech programs.



eTech Social Contribution



In addition to maximizing shareholder value, our primary goal is to contribute to our society in any way we can. We believe every small act of kindness can have a big impact on people's lives and society. Small efforts can build into large waves of change that reverberate back to us.

It's a culture of eTech to support our community in every aspect, in this spirit

eTech's staff and the company itself contribute for 15 children's school fund for one of local NGO and blood donation every three month for Blood Bank.

Doing good always lets you stay in peace, hence let's join all our hands of help and help those in need by contributing to our social responsibility.



eTech Family

Some Of Our Clients



Addis Cardiac Hospital PLC
Center of Excellence



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Some Of Our Partners



Some Of Our Vendors



Check Point



KASPERSKY

FORTINET



DELL EMC

vmware

VERITAS

NUTANIX

veeam

Mitel

logitech



CANOVATE





**“Cyber-Security
is much more
than a matter
of IT.”**

Stephane Nappo

20²⁰₂₁ ANNUAL REPORT



Tamrat Building, Japan
Bole, Addis Ababa, ET



+251 118 220 422
+2519 03 11 11 77



Info@etechsc.com
www.etechsc.com

