



ኤልሳቢ አነስተኛ ፋይናንስ ተቋም አ/ማ
Elsabi Microfinance Institution S.C



...upgrading life!



+251 116 67 57 93
+251 116 73 28 29
+251 116 73 48 07
+251 222 11 35 18



info@elsabi.net



Addis Ababa Ethiopia,
Jacros Area
P.O.Box - 46019

ANNUAL REPORT 2024/25

CAR Loans

40%
Saving



Organizational Framework



To provide efficient financial services to unbanked businesses, farmers, women, and youth using advanced technology, skilled staff, and social responsibility.

MISSION



VISION

Elsabi is destined to be the leading financial service provider to the unbanked segment of society using state-of-the-art technologies in Africa.

We value empowerment, inclusiveness, accessibility, and responsibility in serving communities.

VALUES



GOAL

To drive economic growth by providing accessible financial services to small businesses, low-income individuals, and families.

Expand financial inclusion through digital innovation and capacity building. Strengthen partnerships and ensure sustainability for economic growth.

STRATEGIES





OUR Shareholders

OUR PARTNERS



Message from the Chairman

Dear Shareholders, Board Members, Management, Staff, and Honored Guests, on behalf of the Board of Directors, it is my privilege to welcome you all to this Annual Shareholders' Meeting of Elsabi Microfinance Institution S.co.

Today, we gather not only to review our performance but also to celebrate a year of outstanding achievements and progress toward our shared vision of "Upgrading Life."

This has been a truly exceptional year for our institution. With the unwavering support of shareholders and the dedication of management and staff, we have exceeded expectations and accomplished several historic milestones.

Key Achievements of the Year

Strong Profitability Our institution's profit has increased more than threefold compared to last year, a clear reflection of sound strategy, efficient operations, and prudent management.

Recognition and Trust We successfully secured a 50 million ETB loan from Awash Bank without collateral — a major vote of confidence in our credibility and performance.

Capital Growth We have fully covered our subscribed capital of 100 million ETB, marking a significant institutional milestone. The National Bank of Ethiopia (NBE) has officially approved our request to increase capital from 100 million to 500 million ETB. In line with this approval, we have also started selling shares to external investors, further strengthening our financial base and broadening our ownership structure.

Strategic Investment

This year, we made a strategic investment of 3 million ETB in Adewa Dill microfinance institution, diversifying our portfolio and reinforcing our leadership role in the industry.

Operational Performance

Loan disbursement reached 275.7 million, extending financing to 3,657 clients. Our outstanding loan balance grew to 144 million, with high-quality portfolio management. Savings mobilization reached 46.2 million, demonstrating the trust and confidence of our clients.

Impact on Communities

Beyond financial success, our institution has continued to play a vital role in improving lives and livelihoods: We have supported women and youth entrepreneurs with the capital they need to grow. We partnered with local organizations, including cooperatives and associations, such as the Taxi Association, expanding opportunities for collective success. Financial literacy programs were delivered to help our clients build stronger and more responsible financial habits.

Future Outlook

Looking ahead, the Board fully supports the management's ambitious plans for the coming year, including: Expanding access to underserved communities. Enhancing digital services to improve accessibility and efficiency. Sustaining profitability while deepening social impact.

Launching a digital wallet service — a project that requires significant investment, but one that will transform our institution and position us as a leader in financial innovation.

Closing

Dear Shareholders, this year's results clearly demonstrate that our institution is not only financially sound but also growing stronger, more trusted, and more impactful.



Mr. Tokkicha Alemayehu Ketema
Board Chairman

As the Board, we are deeply proud of the remarkable performance of our management team, led by our CEO, and the tireless commitment of our staff. We are equally grateful for your unwavering trust and support as shareholders.

Together, guided by our motto "Upgrading Life," we will continue to expand opportunities, deliver value, and build a brighter future for our clients, our communities, and our institution.

May God Bless Ethiopia!

Message from the Chief Executive Officer

Dear Esteemed Shareholders, Honorable Board Members, and Valued Guests, it is my great honor and privilege to welcome you to this Annual Shareholders' Meeting of Elsabi Microfinance Institution S.co.

On behalf of the management and staff, I extend my deepest gratitude for your continuous trust, guidance, and support.

Guided by our motto, "Upgrading Life," we have worked tirelessly to create value not only for our shareholders but also for the communities we serve. This year has been a landmark period in the history of our institution. Despite a challenging economic environment, we have not only achieved our targets but exceeded them with remarkable results.

Our profit has increased more than threefold, reflecting the strength of our business model, efficient management, and the dedication of our staff. We successfully secured a 50 million ETB loan from Awash Bank without collateral, a clear testimony to the trust and credibility we have built based on our strong performance. We have fully covered our subscribed capital of 100 million ETB, an extraordinary milestone for our institution. Following this, we requested to increase our capital from 100 million to 500 million ETB, and I am proud to report that the National Bank of Ethiopia has approved this request. We have now started to sell shares to outside investors, opening the door for more growth and broader participation. Our loan disbursement reached 275 million, serving 3,657 clients across different sectors. Our outstanding loan balance grew to 145 million, showing healthy portfolio growth with strong risk management.

Savings mobilization rose to 46.3 million, strengthening client trust and deepening financial inclusion. Empowering women and youth entrepreneurs with sustainable financing. Partnering with community-based groups, such as cooperatives and associations, including the well-recognized Taxi Association financing. Providing financial literacy training to improve responsible borrowing and saving practices.

As we move forward into the next financial year, our priorities will be: Reaching more underserved communities with tailored financial solutions. Leveraging digital technology for efficient, accessible, and secure services. Launching our own digital wallet service a strategic project that requires significant investment upfront, but one which will transform the way we deliver services, enhance customer convenience, and secure long-term rewards for our institution and shareholders. Attracting new investors through our expanded 500 million ETB capital base, ensuring long-term growth and stronger competitiveness. Building stronger partnerships with banks, investors, and development partners.

In conclusion, our journey this year is a proud reflection of what we can achieve when shareholders, board, management, and staff work together with vision and determination. The fact that one of the largest private banks in the country entrusted us with a 50 million ETB loan without collateral is not only a recognition of our past success but also a vote of confidence in our future.

Equally, achieving our 100 million capital targets, securing NBE's approval to raise it to 500 million, and opening our doors to outside shareholders mark the beginning of a new and stronger chapter for our institution.



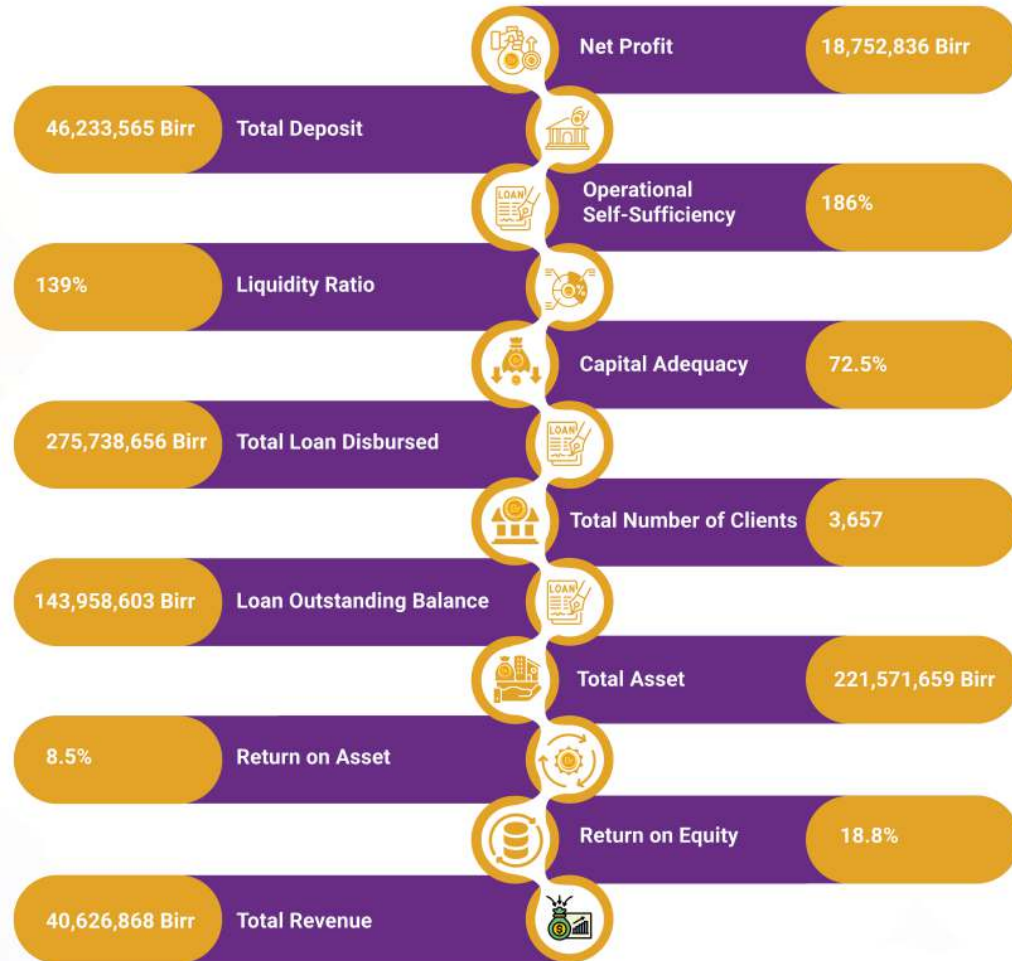
Mr. Abiyot Urga Dadi
Chief Executive Officer

With the new digital wallet project and expanded capital base, we are entering an exciting phase that will demand commitment and investment, but the rewards in terms of growth, innovation, and impact will be even greater.

Together, under our guiding motto "Upgrading Life," we will continue to build a stronger, more profitable, and more impactful institution that uplifts communities and enhances livelihoods.

Thank you.

Highlight of Major Performance Reports



2024/25
ANNUAL
Performance Report



SCAN ME

Highlight of Major Plan & Budget

01 Loan Disbursement 312 million

02 Saving Contribution 70 million

03 Loan Disbursement No 1749

04 Net Profit 34.6 million

05 New Wallet start E-Elsabi or 2Elsabi

06 Share collection 50 million

07 Training (capacity building) 10 Topics for more than 100 participants

2025/26 Annual Plan & Budget



SCAN ME

Expected Sources	Amount	Expenditure	Total Budget Required
Loan Repayment	192,888,898	Loan disbursement	312,000,000
Deposit - Customers	26,392,122	Operational Expense	54,615,787
Interest & Service Charge	89,254,767	Repayment 4 Loan CBE/DBE/Awash	32,420,000
Share payment	50,000,000	Fixed Asset Car, SW, Furniture	9,500,000
Loan – CBE/DBE	50,000,000		
Total	408,535,787		408,535,787



SCAN ME

2024/25 Audit Report



ELSABI MICROFINANCE INSTITUTION S.C.
IFRS FINANCIAL STATEMENTS
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2025

... upgrading life!

The directors submit their report together with the financial statements for the period ended 30 June 2025, to the stake holder of Elsabi . This report discloses the financial performance and state of affairs of Elsabi Microfinance .

Incorporation and address

Elsabi was incorporated in Ethiopian Microfinancing industry in the year 2022 by 10 share holders in order to the leading financial service provider to unbanked segment of the society using state of the art technologies in Africa.

Principal activities

The activates of Elsabi Microfinance is to provide effective and efficient financial and related service to the unbanked micro and small enterprises, famers with focus on women and youth in urban and rural settings using state of the art technology and qualified and motivated staff in socially responsible ways.

Results

Elsabi's results for the year ended 30 June 2025 are set out on page 6. The profit for the year has been transferred to retained earnings. The summarized results are presented below.

	30 June 2024	30 June 2023
	<u>Birr</u>	<u>Birr</u>
Net interest income	27,953,146	9,246,808
Profit / (loss) before tax	18,752,836	5,184,162
Tax (charge) / credit	-	-
Profit / (loss) for the year	18,752,836	5,184,162
Other comprehensive profit / (loss) net of taxes	-	-
Total comprehensive profit / (loss) for the year	18,752,836	5,184,162

Directors

The directors who held office during the year and to the date of this report are set out on page 1.



ELSABI MICROFINANCE INSTITUTION S.C.

IFRS FINANCIAL STATEMENTS

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2025

... upgrading life!

	Notes	30 June 2025 Birr	30 June 2024 Birr
Interest income	5	30,480,854	9,753,003
Interest expense	6	(2,527,708)	(506,195)
Net interest income		27,953,146	9,246,808
Fee and commission income	7	7,479,198	2,472,310
Fee and commission expense		-	-
Net fees and commission income		7,479,198	2,472,310
Other operating income	8	2,666,815	1,262,590
Total operating income		38,099,159	12,981,707
Loan impairment charge		(1,036,244)	-
Impairment losses on other assets		-	-
Net operating income		37,062,915	12,981,707
Personnel expenses	9	12,769,554	5,095,983
Amortization of intangible assets		-	-
Depreciation of property, plant and equipment	14	942,378	462,291
Other operating expenses	10	4,598,147	2,239,272
Net operating Expense		18,310,079	7,797,545
Profit before tax		18,752,836	5,184,162
Income tax expense	24	-	-
Profit after tax		18,752,836	5,184,162
Other comprehensive income (OCI) net on income tax			
Items that will not be subsequently reclassified into profit or loss:			
Remeasurement gain/(loss) on retirement benefits obligations		-	-
Deferred tax (liability)/asset on remeasurement gain or loss		-	-
Remeasurement gain / (loss) on AFS assets		-	-
Total comprehensive income for the period		18,752,836	5,184,162

The notes on pages 10 to 39 are an integral part of these financial statements.



ELSABI MICROFINANCE INSTITUTION S.C.

IFRS FINANCIAL STATEMENTS

REPORT OF THE DIRECTORS


FOR THE YEAR ENDED 30 JUNE 2025

... upgrading life!

	Notes	30 June 2024 Birr	30 June 2023 Birr
ASSETS			
Cash and balances with banks	11	64,351,857	6,197,194
Loans and receivables	12	143,958,604	44,575,549
Other Assets	13	7,075,917	897,414
Property, plant and equipment	14	6,275,283	4,601,535
TOTAL ASSETS		221,661,661	56,271,693
LIABILITIES			
Deposits from customers	15	46,233,565	12,421,856
Other liabilities	16a	4,732,401	1,193,970
Employee benefit (Severance)	16b	937,500	
Commercial loan	16a	50,000,000	
Other long term liability	16a	626,491	
TOTAL LIABILITIES		102,529,957	13,615,826
EQUITY			
Paid-up capital	17	100,000,000	37,358,000
Retained earnings	18	17,824,593	4,928,399
Legal reserve		1,307,110	369,468
Total equity		119,131,703	42,655,867
Total equity and liabilities		221,661,660	56,271,693

The notes on pages 10 to 39 are an integral part of these financial statements.

The financial statements on pages 6 to 39 were approved and authorized for issue by CEO and Finance &Admin Manager were signed on its behalf by:



Ato Abiyot Urga
Chief Executive Officer
09 September 2025



Ato Yemaneberhan Teklay
Finance and Admin Manger
09 September 2025



ELSABI MICROFINANCE INSTITUTION S.C.

IFRS FINANCIAL STATEMENTS

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2025

... upgrading life!

	Paid up capital Birr	Retained earnings Birr'	Legal reserve Birr	Total Birr
As at 1 July 2023				
Initial paid up capital	27,000,000	1,777,445	110,260	28,887,705
Profit for the period		5,184,162	-	5,184,162
<i>Other comprehensive income:</i>	-			-
Transaction from retained earning	1,774,000	(1,774,000)		-
Additional capital in cash	8,584,000			8,584,000
Dividend provided for				-
Transfer to legal reserve		(259,208)	259,208	(0)
Total comprehensive income for the period	37,358,000	3,150,954	369,468	42,655,867
As at 30 June 2024	37,358,000	4,928,399	369,468	42,655,867
As at 1 July 2024	37,358,000	4,928,399	369,468	42,655,867
Profit for the period	-	18,752,836	-	18,752,836
<i>Other comprehensive income:</i>				-
Transaction from retained earning	4,919,000	(4,919,000)	-	-
Additional capital in cash	57,723,000	-	-	57,723,000
Dividend paid for	-			-
Transfer to legal reserve	-	(937,642)	937,642	-
Total comprehensive income for the period	62,642,000	12,896,194	937,642	76,475,836
As at 30 June 2025	100,000,000	17,824,593	1,307,110	119,131,703

The notes on pages 10 to 39 are an integral part of these financial statements.



ELSABI MICROFINANCE INSTITUTION S.C.

IFRS FINANCIAL STATEMENTS

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2025

... upgrading life!

	Notes	30 June 2025 Birr	30 June 2024 Birr
Cash flows from operating activities			
Cash generated from operations	19	3,047,787	(4,420,119)
Withholding tax paid		-	-
Income tax paid		-	-
Net cash (outflow)/inflow from operating activities		3,047,787	(4,420,119)
Cash flows from investing activities			
Purchase of property, plant and equipment	14	(2,616,126)	(3,150,424)
Proceeds from sale of property, plant and equipment		-	-
Proceed on disposal of asset held for sale		-	-
Net cash (outflow)/inflow from investing activities		(2,616,126)	(3,150,424)
Cash flows from financing activities			
Additional Cpaital injected in cash	17	57,723,000	8,584,000
Donated equity received on kind		-	-
Net cash (outflow)/inflow from financing activities		57,723,000	8,584,000
Net increase/(decrease) in cash and cash equivalents		58,154,661	1,013,457
Cash and cash equivalents at the beginning of the year	11	6,197,194	5,183,737
Cash and cash equivalents at the end of the year	11	64,351,855	6,197,194

The notes on pages 10 to 39 are an integral part of these financial statements.



Highlights of the Year

Moments that matter ...



አክሲዮን ብሔራዊ ፋይናንስ ተቋም
Ethiopian Microfinance Institution S.C.
ANNUAL
GENERAL STAFF MEETING
Nexus
August



Elsabi ኤልሳቢ አካል አካል የፋይናንስ ተቋም አ/ማ
**የባለአክሲዮኖች 3ኛ መደበኛ
የ2ኛ አስቸኳይ ጠቅላላ ጉባዔ**
ነሐሴ 30 ቀን 2016 ዓ/ም አዲስ አበባ በርኬስ ህንፃ

Board Members -
General Assembly



የተቋማችን ሁለተኛ ቅርንጫፍ የሆነው የኮተቢ ቅርንጫፍ ስራ የጀመረበትን ስንደኛ ሕመት በሕገን በማስመልከት ከቅርንጫፍችን ደንበኞች ጋራ ጥሪ ጊዜ ስላልፈናል፡፡



Marketing:

Expanding Horizons | Showcasing Our Products



I wanted to express my heartfelt appreciation for the incredible team spirit that we have at Kotebe branch. The level of teamwork and support that I have witnessed within our team is truly commendable. Each one of you brings unique skills, knowledge, and dedication to the table, which has significantly contributed to our shared success. Whether it's handling complex tasks, assisting each other during busy periods, or stepping up to support one another, our team spirit shines through in everything we do.

I am impressed by the way we come together, communicate effectively, and work towards a common goal. The synergy and unity we have built have not only improved our productivity but have also created a supportive and motivating atmosphere for everyone. It's a testament to our commitment to excellence and our shared vision of success.
on behalf of Elsabi Thank you all for your hard work, professionalism,

Award 2024/25

Yerer Leka Branch

Celebrating Excellence | Awarding the Best





Certificate of Appreciation awarded to the Best Performing Employees of the Year 2024-2025.



Building Capacity | Learning & Growing



Elsabi Annual General Assembly 2024/25

Gathering of Minds | Our Grand Assembly





E-WALLET

COMING SOON





follow us on:

