

PURPOSEBLACK ETH TRADING S.C

ANNUAL SUMMARY REPORT

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Addis Ababa, Ethiopia



Contents

Message from the CEO	3
Executive Summary	5
1. Background of PurposeBlack Ethiopia	6
2. Vision, Mission, Goal and Targets of the Company	6
2.1. Vision of PurposeBlack Ethiopia	6
2.2. Mission of PurposeBlack Ethiopia	6
2.3. Values of PurposeBlack Ethiopia.....	6
2.4. Goal of PurposeBlack Ethiopia	7
2.5. Targets of PurposeBlack Ethiopia.....	7
3. Organizational Structure of PurposeBlack ETH Trading S.C	8
4. Major Accomplishments in 2014 E.C.....	9
4.1. Office of the CEO.....	9
4.1.1. Communication, Media and Event Department	9
4.1.2. Legal and Compliance Directorate.....	9
4.1.3. Strategy, Planning and Business Development Directorate.....	10
4.1.4. Project Management Office	10
4.1.5. Partnership department	10
4.1.6. Office of Special Advisors and Assistants to the CEO	12
4.1.7. Centers / Special Initiatives #NoMoreHunger Ethiopia Initiative.....	12
4.2. Chief Supply Chain Officer (CSCO).....	13
4.3. Chief Support Operating Officer (CSOO)	13
4.3.1. Administration and Employee Relations Division	14
4.3.2. Training.....	14
4.3.3. Investors Relation Division	14
4.3.4. General Service.....	15
4.4. Chief of Corporate Governance Officer	15
4.5. Chief Technical Operating Officer.....	15
4.5.1. Agriculture Division.....	15
3.5.2. Agro Processing Division	21
3.6. Chief of Retail Division.....	23
3.6.1. Retail Division.....	23
3.6.2. E-Commerce Division	24
3.7. Chief of Marketing Officer	24
3.8. Chief of technology officer (CTO).....	24
3.9. Chief of Finance Officer	25

Message from the CEO

Dear PurposeBlack Shareholders and Family

Welcome to our second General Assembly

It's with much pride and excitement that I present our company which has grown phenomenally and accomplished so much in such a short period and under very difficult circumstances. Three of us came to Ethiopia when the war in the country was at its peak and when there was no appetite for investment and the future of the country was uncertain. Furthermore, people were very wary of new and complex ideas and painful past experiences of share companies made people very reluctant to invest in new share companies such as PurposeBlack. Despite all these challenges and many others which would have made the prospect of PurposeBlack bleak we thrived and became who we are today.

I do not need to say much about what we achieved so far. The accomplishments speak for themselves. We grew a meager 1.1 million birr initial capital which we mobilized a year ago into half a billion birr within a year. The number of shareholders skyrocketed from 110 to more than 11,000. The number of employees has reached almost 3,000. PurposeBlack is currently operating in more than 330 Woreda's and 14 offices throughout the country. More than 2200 ha of farmland is being developed and we have already started reaping products from our farms. Our agro-processing factory in Arbaminch has commenced producing quality traditional food products. Our retail division operates seven supermarkets and our Kegeberew Products Distribution Services (KPDS) is delivering agriculture produce to more than 20,000 households in Addis Ababa. The KPDS is being supplemented with ecommerce and a call center. Although many are surprised by what we accomplished so far, for us this past year was just a foundational year.

This year will be a year of scaling. PurposeBlack has a huge vision and we need to scale up our efforts and activities to attain our vision. This demands the mobilization of billions of birr capital. We have devised and launched two huge innovative initiatives which will help us cross the finishing line. These initiatives are the Tower Shareholder Model (TSM) and the Movement Against Hunger (MAH).

Tower Shareholder Model (TSM) is an extremely lucrative deal ever - which offers an investor who invests 35 million birr or more an equivalent 35 million birr luxury apartment ownership as a guarantee for free at the proposed Kegeberew tower. TSM is the first of its kind in Ethiopia, and it is a mutually beneficial relationship. Kegeberew Tower is a high impact real estate property proposed by Purpose Black Ethiopia. Having 115 stories it is going to be the biggest mixed-use building ever erected in Africa and the tallest residential tower in the world. It will incur 60 billion birr in investment capital and will be owned and managed by Purposed Black Ethiopia. PurposeBlack Global and PurposeBlack Ethiopia are the key promoters for the realization of this historic and largest ever building in Africa. The Headquarters of PurposeBlack will be situated in this iconic Tower. This project will be launched on December 22, 2022 and the delivery date of the Tower will be January 2026. On the other hand, the Movement against Hunger is an initiative launched by

PurposeBlack to mobilize stakeholders, capital and other resources to build Sustainable Rural Communities throughout Ethiopia and support the various projects of PurposeBlack.

All these indicate that PurposeBlack is on the right track and making a noticeable impact in Ethiopia. I thank you all for believing in us and investing in our vision. We need your continued support and our active engagement to make our initiative successful. Hence, I hope this year's General Assembly will give us its unconditional support and its unwavering promise to help us reach where we deserve to be.

Thank you and God bless you all!!!

Dr. Fisseha Eshetu

CEO, PurposeBlack Ethiopia

Executive Summary

PurposeBlack is an initiative launched in May 2020 through collaborative effort of more than 135 individuals. The vision of the initiative is to see an economically prosperous, influential and respected black community all over the world. To direct its efforts to its vision, the company has taken the mission of leveraging technology to create an economically developed black community in the world.

PurposeBlack works for the offering of economic solutions to the major problems of the Black communities in African and all over the world. The initiative has launched its first operation in Ethiopia as PurposeBlack Ethiopia (PBETH). The aims of the initiative include; enable farmers produce standard agricultural products and earn a better income, create job opportunity to youths and women, enhancing the investment participation of the Ethiopian diaspora community, to contribute to stabilization of the inflation through supplying products, to increase the foreign currency earning capacity of Ethiopia and to enable the transfer of farming technologies. To accomplish its aim the company set the following targets.

- Constructing a mega agro-processing complex that has 50 factories in it,
- Launching 500 joint farming projects with Farmers in Ethiopia,
- Establish 5 Hyper Markets,
- Establish 10 big supermarkets
 - ✓ *Establish Mini Supermarkets*
 - ✓ *Establish Mini Shops*
- Build 1000 retail outlets and distribution centres,
- Launching and expanding world level e-commerce platform, and
- Establish a media centre to promote the services and products of the PBETH and its partner's farmers.

During its first year operation, the company has accomplished the following activities. Fulfilled different legal requirements of operation; feasibility studies for the different businesses have been conducted; partnership with different government and nongovernment organizations has been established; 16,341,351.31 birr volume of agricultural and industrial fast moving consumer goods have been supplied to retail shops, truck sales and E-commerce; a total of 2,953 shareholders with a paid-up capital of 189,628,640 birr have been registered; 1,671 hectares of land has been secured through agricultural franchise shareholder model and the capital and asset acquired through this model is estimated to be 194,000,000 birr; the traditional food production has continued to produce and supply food products to the retail shops and the six retail shops in Addis Ababa have supplied a volume of 34,654,392.72 birr volume of agricultural and industrial fast moving consumer goods to the consumers.

In general, the business model is promising and the results achieved so far assured that the prospects of the company are wide and attracts the attentions of many partners and stakeholders.

1. Background of PurposeBlack Ethiopia

PurposeBlack Ethiopia (PBETH) is an initiative launched in May 2020 through collaborative effort of more than 135 individuals. PurposeBlack works for the offering of economic solutions to the major problems of the Black communities in African and all over the world. The initiative is a multi-billion-birr endeavour which encompasses the construction and launching of a mega Agro-processing complex, and e-commerce marketplace, hyper markets, big supermarkets, and a chain of more than 1000 retail & distribution stores all over Ethiopia. The initiative has a plan of starting multiple agricultural endeavours which will be established through joint ventures with farmers throughout Ethiopia. Its authorized capital is 10 billion Birr.

The initiative will be based on a vertically integrated end-to-end product-to-consumer (P2C) model where PurposeBlack Ethiopia and PB-AFRICA will directly work with farmers to process farm products and sell the processed products directly to consumers through its channels of e-commerce, distribution agents and retail outlets. The approach is expected to make farmers direct beneficiaries of the system by eliminating middlemen and adding value to the farmers' products.

The objectives include helping the producers and stabilize the market and creating a win-win situation for all involved in the process and creating job opportunities for thousands of Ethiopian citizens who are looking to get the chance. The job creation task is guided by the principle of gender equality with a priority of providing opportunity for the women who are involved in the sector. Even though it is a short period since the company has been established; there are accomplishments in different businesses of the company in line with selling shares and organizing it during the year of 2014 E.C. Therefore, the report of accomplishments of the year is presented here under.

2. Vision, Mission, Goal and Targets of the Company

2.1. Vision of PurposeBlack Ethiopia

To see an economically prosperous, influential and respected black community all over the world.

2.2. Mission of PurposeBlack Ethiopia

Leveraging technology to create an economically developed black community in the world.

2.3. Values of PurposeBlack Ethiopia

- ✓ Agility
- ✓ Flexibility
- ✓ Adaptability
- ✓ Familyism
- ✓ Customer-focused
- ✓ Promise keeping
- ✓ Team spirit
- ✓ Fairness
- ✓ Respecting each other

- ✓ Trust
- ✓ Timeliness
- ✓ Accountability
- ✓ Transparency
- ✓ Diligence
- ✓ Innovation

2.4. Goal of PurposeBlack Ethiopia

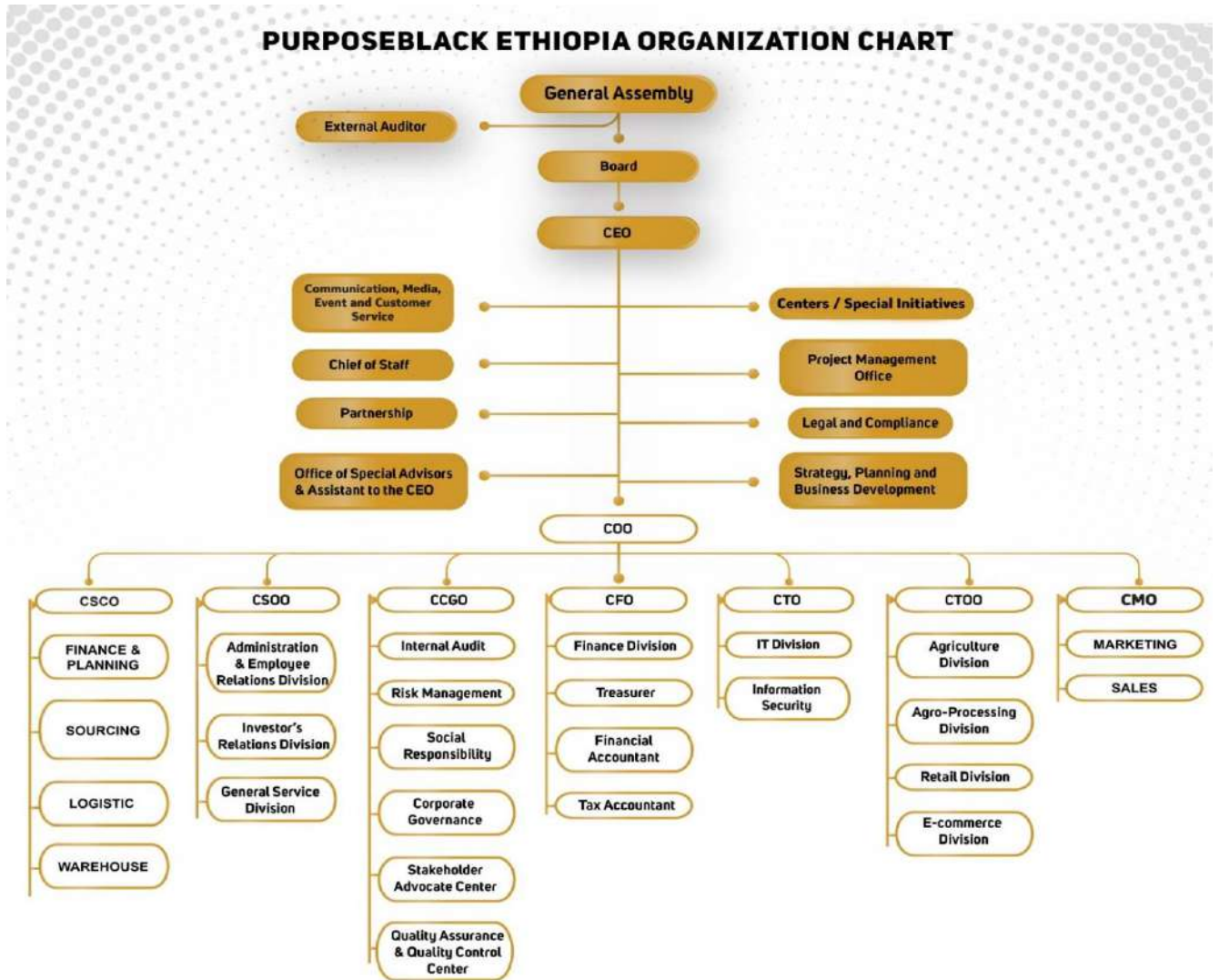
To have an economically developed, influential, and respected black community globally. The goals encompass:-

- Enable farmers produce standard agricultural products worldwide and earn better income
- Create job opportunity to youths
- Enhancing the investment participation of the diaspora community
- To contribute to the stabilization of inflation through supplying products
- To increase the foreign currency earning capacity of Ethiopia
- To enable the transfer of farming technologies
- Become the largest commercial agricultural cluster management company in the country
- Become the largest fast moving consumer goods supplier company in the country
- Become the largest consumer credit supplier company in the country
- Become a pioneer in Ethiopia for solving hunger and poverty through business model

2.5. Targets of PurposeBlack Ethiopia

- Develop 5000 hectares of land
- Constructing a mega agro-processing complex that has 50 factories in it
- Launching 500 joint farming projects with Farmers in Ethiopia
- Establish 5 Hyper Markets
- Establish 10 big supermarkets
 - ✓ *Establish Mini Supermarkets*
 - ✓ *Establish Mini Shops*
- Build 1000 retail outlets and distribution centres
- Launching and expanding world level e-commerce platform, and
- Establish a media centre to promote the services and products of the PBETH and its partner farmers.

3. Organizational Structure of PurposeBlack ETH Trading S.C



4. Major Accomplishments in 2014 E.C

This part of the report includes major activities of different divisions and or directorates during the budget year of 2014 E.C. As long as the company is still being organized, different departments are also under organization process. Therefore, this accomplishment report may not indicate the performance of the whole year. Based on the above introduction accomplishments of different divisions and departments are presented as follows.

4.1. Office of the CEO

The divisions or directorates under the CEO include; Communication, media and event, legal and compliance, strategy, planning and business development directorate, project management office, partnership, office of special advisors and assistance to the CEO and special initiatives and #NoMoreHunger Ethiopia Initiative.

4.1.1. Communication, Media and Event Department

The report covers activities conducted from April 1, 2014 E.C to June 30, 2014 E.C for a period of 3 months only. During this period the following major activities were conducted;

- Strategic plan of the department was prepared,
- Standard operation procedure (SOP) was developed so that corporate video can be produced,
- Edited and translated the existing English version of company profile, into Amharic language and prepared brochure.
- In addition, different Medias has been mobilized in order to have coverage for company events.
- Moreover, 7 events were managed and 5 press releases were prepared.

Concerning PurposeBlack media activities;

- Created different media pages for the company,
- Prepared weekly English and Amharic news for the YouTube media,
- Produced short documentaries about projects and initiatives of the company,
- Conducted different promotional activities about projects of the company and work with other Medias.

4.1.2. Legal and Compliance Directorate

The legal and compliance department was responsible to facilitate and resolve issues related to legal and compliance including, company formation, different licences, franchise agreements etc. Based on the above major accomplishments of the department are as follows:

The report covers activities conducted from April 1, 2014 E.C to June 30, 2014 E.C for a period of 3 months only.

- Different operation licenses of the company were secured,
- Contract managements and contract administrations done,
- Different company policies were developed,
- Facilitated loan from bank and participated in different committee members.

4.1.3. Strategy, Planning and Business Development Directorate

The directorate is responsible for the development of different business and corporate strategies, coordinate strategic planning activities of the company and conducted business development activities. The report covers activities conducted from March 1, 2014 E.C to June 30, 2014 E.C for a period of 4 months only.

Accomplishments of the Year:

The overall summary of the directorate major accomplishments obtained since the start of operation of the directorate on March 1, 2014 E.C are presented in the following table.

4.1.4. Project Management Office

This office is responsible for the design and construction of different projects of the company. The report covers the whole year of 2014 E.C. Based on the above information the accomplishments of the department are presented as follows:-

- Designed, maintained and furnished the first office of the head office at wollo sefer;
- Decorated the launching of PurposeBlack Ethiopia at sky light hotel,
- Redesign and construct the warehouse at mekanisa (Cheshire);
- design and build the truck to be used as movable shops;
- Design and construct the first franchise shop at atlas;
- Expansion construction works at Adwa retail shop;
- Construction of additional warehouse at Kality,
- Construction of guest house at Bekoji franchised farm in Arsi zone and
- Completed design of franchise shop at Gofa, Addis Ababa;

The design works include:-

- The design of 3 big KeGeberew national shops in different areas and
- Manufacturing containing 50 different industries at Arba Minch;

4.1.5. Shop expansion design and KeGeberew products distribution centre at Partnership department

PBETH Partnership department is among the departments under the CEO office. As the name implies the department focuses on the relationship among parties/organizations which accomplish common goals. PBETH believes that working together with other parties/ organizations is crucial in order to accomplish the stated goals. The motto "LET'S WORK TOGETHER" also shows that the company gives a great value for working together and it is a key to make a difference and benefit the majority in shorter period.

The period of this report is from August 2014 to June 15, 2014 E.C.

- residence of Ethiopian airlines employees.

Table 1: Performance/ Accomplishments of the Directorate

S/N	Description	Type of Study	Number of Studies
	A. Business Feasibility study		
1	Retail Shop Franchising Project	Feasibility Study	1
2	Purpose Black Mini Retail Shop Project	Feasibility Study	1
3	Retail Franchising Loader & Truck Loan Study	Feasibility Study	1
4	#NoMore Hunger PB Mini Retail Shop	Feasibility Study	1
5	ECCS Retail and Distribution Franchise Shop	Feasibility Study	1
6	KeGeberew Franchise Mini Retail Shop	Feasibility Study	1
7	Basoliben 500.7 Land Request	Feasibility Study	1
8	Gozamen 316.71 Land Request	Feasibility Study	1
9	Peanut Butter	Feasibility Study	1
10	Potato & Related Chips Production	Feasibility Study	1
11	Agricultural TV Channel	Feasibility Study	1
12	Bakery & Confectionery	Feasibility Study	1
13	PBETH Company Viability	Feasibility Study	1
	Sub Total		13
	B. Other Studies		
1	Prospectus for KeGeberew Franchise Mini Retail	Prospectus	1
2	Land Development Cost Determination	Comparative Study	1
3	Bekoji Areal Potential Identification	Potential Assessment	1
4	Annual Budget Plan of the Directorate (2015 E.C)	Budget Plan	1
5	Annual Budget Plan Compilation of the Company	Budget Plan Compilation	1
6	Annual Report of the Directorate (2014 E.C)	Annual Report	1
	Sub Total		6
	C. Franchise Projects		
1	Bekoji Financial Feasibility	Assessment & evaluation	1
2	Bekoji Financial Feasibility	Financial Feasibility	1
3	Tadila Farm (Bahir Dar) Franchise Farm	Assessment & evaluation	1
4	Tadila Farm (Bahir Dar) Franchise Farm	Financial Feasibility	1
5	Kebede Lema (Wolaita Soda) Franchise Retail S	Assessment & Evaluation	1
6	Kebede Lema (Wolaita Soda) Franchise Retail	Financial Feasibility	1
	Sub Total		6
	Total		25

Accomplishments of the Year

During the period we accomplished the following partnerships with: -

- Initiated many contacts with government offices at federal, regional, zonal and wereda levels, Universities, research centres, Banks and media.
- Private Sectors - such as event organizers, advertising and promotion enterprises, import & export organizations and agricultural service providers.

4.1.6. Office of Special Advisors and Assistants to the CEO

PurposeBlack ETH Trading S.C. introduced new Franchise Share Holding Model (FSHM) for 15 Bank's presidents and vice presidents.

Objectives

- ✓ To introduce the new Franchise Shareholder Model to Banks, Insurance and Microfinance institutions.
- ✓ To gain and generate income from Franchise Share Holder Model (FSHM)
- ✓ To serve the society by providing goods with fair prices.
- ✓ To make partners by mobilizing a super idea FSHM project to all financial sectors within four months.

Accomplishments of the Year

- 🏆 The first bank who wrote a letter of agreement was Hilbert Bank
- 🏆 The first two banks showed their interest by official letters.
- 🏆 We received offer letter from Enat Bank and Dashin Bank.
- 🏆 We introduce PurposeBlack.Eth with Awash CEO Zerihun Sheleme

Picture with AWASH president Zerihun Sheleme



We announced two big campaigns,

1. "እኔም ገበሬ ነኝ" ቻሌንጅ ጀምረናል! እናንተስ?!
2. Great Run against Hunger on Oct16th, 2022.

4.1.7. Centers / Special Initiatives #NoMoreHunger Ethiopia Initiative

Introduction

The #NoMoreHunger Ethiopia initiative is one of the major integral parts of PurposeBlack Ethiopia Trading Share Company, which is working to achieve a 2-year project targeting to secure 100 million USD. The project plans to sustainably change the lives of 50,000 farmers and displaced people in to millionaires with in this specific time period. The #NoMoreHunger initiative is in the process of identifying all possible strategic approaches to secure the 100 million USD.

The #NMH Global Events Operation

The #NMH Global Events Operation is developed and come in to operation before a month & half time. During this period, the #NMH Global Events has launched a number of projects. One of the projects, the Great Global Run Program is planned and is being executed with the establishment of a task force. Some of the features of this project include:

1. The Global Great Solidarity Run Against Hunger &
2. The Competition & Entertainment Events operation are the major ones

Project Status:

A full scale project design, project strategy & approach and partnership development is well underway for the #NMH Ethiopia initiative. Once the Project's initial concept note is completed then project implementation guide will be prepared and the operation will be launched.

Program Launching & Office Organization

1. Launching event has taken place on March 24/2022
2. All-inclusive Brochure has been developed and is being used for events & related promotional activities
3. Partnerships for the #NoMoreHunger Ethiopia is under development
4. Initiative & program promotion has been done with some of the following entities:
 - ✓ 10 Embassies
 - ✓ 6 NGOS
 - ✓ At least 2 governmental ministerial offices have been contacted

4.2. Chief Supply Chain Officer (CSCO)

Activity / Project / Goals:

- Sourcing quality agricultural products directly from the farmers
- Providing a high-quality fruits and vegetable products with affordable and fair price to the consumers without any interference of brokers
- Conducting activities in warehouse in more dynamic way and improving the logistics
- Supplying industrial products to the consumers
- Supplying products for women associations
- Supplying fruits and vegetables through retail shops, mobile trucks and E-commerce
- Collecting, monitoring and follow-up daily suppliers and conduct report
- Make an agreement with different suppliers
- Explain our company to the consumers and conduct share selling

Accomplishments of the Year

The total supply of products within one year period was worth **16,341,351.31** Birr

4.3. Chief Support Operating Officer (CSOO)

The divisions that are under the Chief Support Officer are administration and employee relations division, Investors' relation division and general service.

4.3.1. Administration and Employee Relations Division

This division has the objective of fulfilling the human resource requirements of the company.

Table 2: PBETH Employees as of June 30/2014 E.C

No	Month	Year	A/A Head Office	A/A Warehouse	A/A 6 Retail Store	Wolaita Sodo	Arbaminch	Omo	Bahirdar	Bekoji	Total
9	June	2022	103	87	96	30	23	26	1	3	369

4.3.2. Training

Trainings Conducted

- 34 shop managers, cashiers and sales team members are trained on customer handling & quality control
- 6 marketing division staff are trained on communication skills
- 7 new staff are trained on PurposeBlack mission, goal and objectives
- 12 warehouse staff are trained on quality control
- 20 shop managers and Supervisor trained on team sprit & team building.

4.3.3. Investors Relation Division

Investors Relationship Division- falls under the Chief Support Operation Officer (CSOO). Investors Relationship Division is responsible for ensuring that investors are oriented, and provided effective and efficient services per the organization policy, procedures and standard to ensure strong bondage between the organization and its shareholders for mutual and lasting business relationship.

Strategic Goals of the division

- ✓ Improved customer loyalty and retention
- ✓ Regularly Communicate and Engage with Customers

Deliverables of the Division

- Registering of the shareholders
- Reconciliation of data
- Digitalization of membership cards
- Proper archiving of shareholder personal information in soft copy
- Systematizing of proper documentation for commission
- Proper filing & sequencing of hard copies
- Preparation and issuance of Share Certificates

Number of Shareholders **June, 30 2014 E.C**

➤ Founding Members-	110
➤ Ordinary Shareholders-	2961
➤ Franchise Agriculture-	764
➤ Franchise Agro-Processing -	116
➤ Franchise Retail Shops- In cash	2

Total Number Shareholders **3953**

Paid-Up Capital **June, 30/2014 E.C**

Ordinary Shares-	46,378,640.00
Franchise Agriculture-	119,200,000.00
Franchise -Agro-Processing-	18,050,000.00
Franchise-Retail shops-In Cash	6,000,000.00
Total Paid-up Capital	<u>189,628,640.00</u>

Issued Share Certificate

- 45 Founding members share certificates have been issued and collected by shareholders.
- 1662 Ordinary share certificates have been issued and collected by shareholders.
- 640 Franchise - Agriculture share certificates have been issued and collected by shareholders.
- 38 Franchise Agro-Processing share certificates have been issued and collected by shareholders.

4.3.4. General Service

The sections under General Services are Logistics, Purchase, Store and Fixed Assets. Various works have been done in these sections. Among the main activities included in these departments are: facilitating the necessary logistics on purchase and rental bases.

4.4. Chief of Corporate Governance Officer

Accomplishments of the Year

- ❖ Developed department structure & wrote required job descriptions
- ❖ Audited Wolaita Sodo branch office
- ❖ Incident audit & investigation done on Arbaminch branch office
- ❖ Processed insurance coverage for PB vehicles, tractor and 4 Sino trucks.
- ❖ Department SOP developed and submitted
- ❖ Prepared Risk Management Training material
- ❖ Prepared draft policy for procurement, property & stock management

4.5. Chief Technical Operating Officer

4.5.1. Agriculture Division

The agricultural division of PBETH is established to accomplish the main goals of PB. These are:

1. Enabling farmers to produce and supply international standard agricultural products.
2. Enhancing agricultural technology transfer
3. Availing cheap agricultural produce to stabilize market

Accomplishments of the Division

- Secured a contract with 8 private investors with a total of 5066 hectares of land from which 850 ha was agreed for contract farming (CF) on scheduled horticultural production arrangement.
- Assessment was conducted on potentials for contract farming in different parts of the country with special focus on Oromia and SNNP.

Arrangement of CF as well as sourcing of organic export standard banana from LUCY farm Arba Minch

- Conducted assessment on 6 commercial farms in 4 regions for **Agricultural Franchise Shareholder Model (FSM)** and secured **1,671** ha of land and started production.
- Additional promising 1,425 ha of land is under process.
- Capital and physical assets acquired through the PurposeBlack agricultural franchise (PAF) shareholder system is estimated to be **194 million Birr**.
- Within a short period after commencing its production, **Dogomote** Franchised farm was developed with 2 ha of Watermelon which was the first harvest, 4 ha of onion, 1 ha of green pepper, 1 ha of tomato, 1 ha of zucchini, mean while the **Bekoji farm** was covered with 4 ha of potato, 100 Ha of wheat and 50 Ha of Malt barley.
- Through the Zonal PAF system, additional **400** ha of land in two Zonal administrations, Gamo and Wolaita (During the report time the Wolaita zone already allocated the land for further processing and Gamo zone already allocated **250** ha of land for our approval)
- Additional to the agriculture production related duties, the department played a major role in promoting PBETH as well as raising awareness with mobilizing substantial amount of investment. The two major events include diaspora agricultural tourism and agri-innovation while participated in one major agricultural event, Arsi farmer's festival, which not only brought attention to PBETH within the sector but also assisted in mobilizing resource.
- PBETH Diaspora Agriculture Investment tourism at Arbaminch- whereby the first franchisee from diaspora community visited the first investment location at Arbaminch.
- The first Ethio-Agri innovation forum 2022- through the initiative from the CEO, the initiated and presented game changing solutions with a successful event with more than 200 professional attendants from various sectors, 5-agri-innovators as exhibitors and with media coverage by more than 15 major media organizations.

Machineries, Vehicles and Implements

- 4 tractors- 3 active and functional
- 2 wheat and barley planters
- 4 disc plough

- 3 disc harrow
- 1 Ditcher
- 2 Trailers- 6 quintal capacity each
- 1 Isuzu truck
- 1 Motor bike
- 1 pivot irrigation system with 50 ha irrigation capacity
- 2 Pump of 100lt/min
- 2 Transformer 100KVA and 200KVA
- 1 Generator 150 KVA

4.5.1.1. Report on Agricultural Franchise Farms

PAF Definition

As one of the three major PurposeBlack FSM models, PurposeBlack Agricultural Franchise (PAF) shareholder model project was designed to benefits investors who are engaged in agriculture and with a will to transfer their farm or agribusiness under the FSM model.

Goals of PAF

- To become the largest PAF FSM system in AFRICA

Targets of PAF

- To raise 1 billion ETB or dollar equivalent of investment for the PAF system.
- To acquire and develop 5,000 Ha of land within one year.
- To be the major supplier of horticultural products to the national as well as the continent.

Progress Status

From the targeted total franchise farm of 5,000Ha a total of 1,671 ha was secured through franchise model. The department assessed various private owned farms which agreed to work with PBETH with its PAF- SM. From a total of assessed private farms a total of 3 farms are secured with an area of 1,671 ha of land from the 5,000 ha planned until January 2023. Additional 1,635 ha of land was under negotiation.

Through these projects of franchise, the asset value of the organization has been increased by 172,504,126.00 (one hundred seventy two million five hundred four thousand one hundred twenty six) as shown in table below.

Table 3: Agriculture Franchise Share Value

Description	Amount
Franchise share value	
Dogomote farm	5,000,000
Aster franchise farm	5,000,000
Bekoji farm (Asset value)	16,000,000
Subtotal	26,000,000.00
Agri-franchise share sold	
Aster franchise farm	120,000,000.00
Asset valuation of Bekoji farm	
Building and construction	16,905,320
Truck and vehicles	2,141,706
Land development	19,579,383
Farm machinery and vehicles	7,877,717
Subtotal	46,504,126.00
Grand total	192,504,126.00
Loan	20,000,000
Net value	172,504,126.00

Picture of First watermelon harvest from Dogomote franchise farm, June 09 2022.

Some pictures of Bekoji franchised farm



Guest House



Storage and garage house with few machineries and implements



Cargo truck- 60 quintal



Rain maker irrigation system for 50 ha of land



Potato farm Growing stage at Bekoji



Wheat farm at Bekoji

3.5.1.1. **Report on Partnership activities**

This partnership includes research centres, NGO's, Governmental offices, Agribusinesses, cooperatives, mechanization suppliers.

Research centers

Melkasa research center

The main discussion with the experts was how to get access to genuine, quality and sustainable supply of planting materials to our farms with least cost.

As a research centre their mandate is to provide parent/ breeder seeds for commercial multiplication. Therefore, they provided us for free of charge breeder seeds of hot pepper, mitmita, tomato, okra and squash. They also connected us with onion seed producing farmers under their follow up and technical support.

Jinka research center

Bilateral agreements were reached on supporting our department on providing information regarding the horticultural crop types, common diseases and recommendations for the area as well as the source for Boar goat breeds for our goat integrated farms.

Assosa research center

For the supply of bamboo seed, which will be planted on the OMO farms as a fence/ wind break as well as a reliable source of sticking for tomato and green pepper plants and construction material.

ILRI

As one of the substantial source of animal feed forage seed/cutting supplier a reliable business partnership was established.

NGO's

- **Goal Ethiopia** -horticultural contract farming, livestock value additional and market arrangement for pastoralist communities with a supply chain system coupled with digital extension system (*Ongoing project*)
- **SNV**- With a bio-slurry based organic fertilizer and horticulture product market linkage and contact farming scheme and fertilizer project. Gamo-zone project, banana and papaya project (*Ongoing project*)
- **USAID**- supply chain and retail outlet projects (*Ongoing project*)
- **Techno-serve**- for potential partnership on CF based and marketing relationship for sourcing horticulture products or commodities. Supported with a database of farmers engaged in producing onion and tomato at three different localities.
- **CIP- international potato centre**- as one of the many resources of professional as well as governmental organizations

Different levels of government offices has been contacted for partnership and there are promising results.

Agribusiness

- Kaleb farmer house for mechanization an MOU has been signed for the partnership on KAMI Project
- - DIMAGI- for digital extension system and supply chain system, specially of on pastoralist areas
- Adama Tractor assembly business for sustainable sourcing of irrigation pump and mechanization tools
- **Soufle**-partnership for guaranteed partnership in CF for malt barley at Bekoji farm
- **Erf app**- a tech based agricultural product with a database of agricultural mechanization machineries that can be arranged for rental service through IOT.
- **Shayashone**- reliable sustainable horticultural seed supplier and a resource for networking of agricultural cooperative throughout the nation

3.5.2. Agro Processing Division

Agro-processing division accepted the target of reaching 50 factories by constructing a mega project in order to meet the target of Agro-processing division set by the PurposeBlack Ethiopia. The agro- processing team first developed the department structure. Then, project selections and prioritizing were conducted. Fourteen Agro processing industries were selected and prioritized as pilot projects. Two pilot projects such as integrated traditional food processing and banana chips and aligned products were given a high priority. Based on that business plans, feasibility studies and product design development were conducted. The division's one-year plan was to launch one processing factory with a "Made in Ethiopia" brand.

Objectives

- ✓ To produce a high-quality made in Ethiopia brand product.
- ✓ To gain and generate income from Agro-processing industries
- ✓ To sell Agro-processing franchise share model

Accomplishment of the year

- Submitted the final version of the bankable feasibility study of Banana Chips and Aligns products processing
- Select the Packaging machine and packaging design for packaging traditional food products based on scientific criteria.



- Capacity building training was given on traceability using barcoding and flavour enhancement for Agro-processing division members.
- Alternative packaging design for traditional food products was selected.



- The first, second and third round traditional food products were produced in Wolaita Sodo and provided to the retail shops
- Supported the retail division on quality and safe product delivery system
- Launched and opened the Arba Minch Agro-processing traditional food processing factory.
- Sourced different spices and products from farmers with fair price and high quality.
- Conducted a study to open bakery and pastry at Adwa retail shop



3.6. Chief of Retail Division

3.6.1. Retail Division

Introduction

The retail division is one of the business units of Purpose Black Ethiopia Trading S.C (PBETH). It is a business unit that is responsible to managing and address customer demand in high quality and optimum price in all operational activities of all shops in Purpose black Ethiopia.

Accomplishments of the Year

The division has been engaged in different tasks including selling products with optimum price to customers with different platforms like supermarket, Track, KPDW etc.

The following are the major activities, our department has done.

- ✓ Minimized petty cash expense
- ✓ Centralized the purchase process (goods used for supermarkets)
- ✓ Reshuffled the management staffs of all shops which brought tangible result in sales volume.

- ✓ Provided training to all levels of management.
- ✓ Worked to enhance logistics facility by working with work units.
- ✓ Planned sales target for the coming period.
- ✓ Developed flyer for retail department

3.6.2. E-Commerce Division

Below is the list of major activities performed in the past annual budget year.

1. KeGeberew.com online sales platform was developed.
2. Fulfilment of kegeberew.com ecommerce. This incorporates preparation of E-commerce warehouse, arrangement of delivery and payment system.
3. Management and operation structure of Ecommerce was prepared
4. Call Centres have been established

In general, **34,654,392.72 birr** volume of products were distributed by using the E-commerce platform.

3.7. Chief of Marketing Officer

The annual report contains the key business achievements and financial highlights of Purpose Black ETH as of July 30 2014 E.C.

The department put a target sales of 1 million Birr per day. As of June 30, 2014 E.C a total sales of share was 127,264,884 ETB. On average 1,146,530.48 birr was sold. So the achievement was exceeding the target.

3.8. Chief of technology officer (CTO)

Information Technology and Software

Introduction

- IT Division is responsible for ensuring that investors share payment service is seamless and efficient per the organization policy, procedures, and standard ensuring strong interaction between the organization and shareholders and customer to access their dashboard and get additional investment and track their progress as well.
- Get the latest information about the company and what the developments are.

Deliverables of the Division

- Online Share Form and payment
- Franchise share model with payment
- Different payment integration systems
- Shareholder dashboard

- Server control and managing
- Online payment portal
- Notification reminder for shareholder
- Support office IT infrastructure
- Agent Dashboard to track their customers
- Franchise Website with full payment system
- Developed different websites for different PBETH initiatives and projects, like #NoMoreHunger and Qeleb le Ethiopia.
- Maintaining websites
- Short SMS service
- Preparation of ERP

3.9. Chief of Finance Officer

Accomplishments of the year

- Chart of accounts has been designed
- All sales, purchase and expense documentation have been reviewed
- All share and Franchise documentation and deposits have been reviewed
- 2021/2022 Finance department status has been reviewed
- Managed cash flow and expense monitoring
- Managed budget variance
- Manage cost control and monitoring.
- Manage petty cash maintenance and follow up system
- Compare annual targets vs. actual
- Managed payroll, employees benefits and pension administration

PURPOSE
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