



**Quarterly Report | Q3 | FY 2020**

## Executive Summary



Dear Friends,

First and foremost, I hope that you and your family are staying safe and healthy during the COVID-19 pandemic. I'm currently thinking about the Cycle Connect community all over the world; from our clients in the rural areas of Uganda, to our team working on the ground, and to our supporters who span globally.

Nine months ago our team began our fiscal year, in July 2019, excited for the new year and the journey to come. We were eager to reach more rural families with our products, anticipating all the ways our team would grow, and hopeful for the ways our existence would improve livelihoods in the last mile. We are still committed to all of these things, though recognize that COVID-19 has rapidly changed what the rest of our 2020 fiscal year and beyond will look like.

The adaptive, agile, and responsive culture of our team allowed us to act fast in the face of COVID-19. We adapted our operations to launch a call center that communicates critical Coronavirus information, began donating bicycles to healthcare workers, and we started developing a new loan to ensure food security for rural families.

I am a firm believer that our network has made us-- and the communities we work with-- ever more resilient and now is when I feel that most. From our team to your family, thank you for supporting our mission and helping us ensure that distance is not a barrier to access and opportunity, even through these trying times.

In solidarity,

**Molly Burke**  
CEO

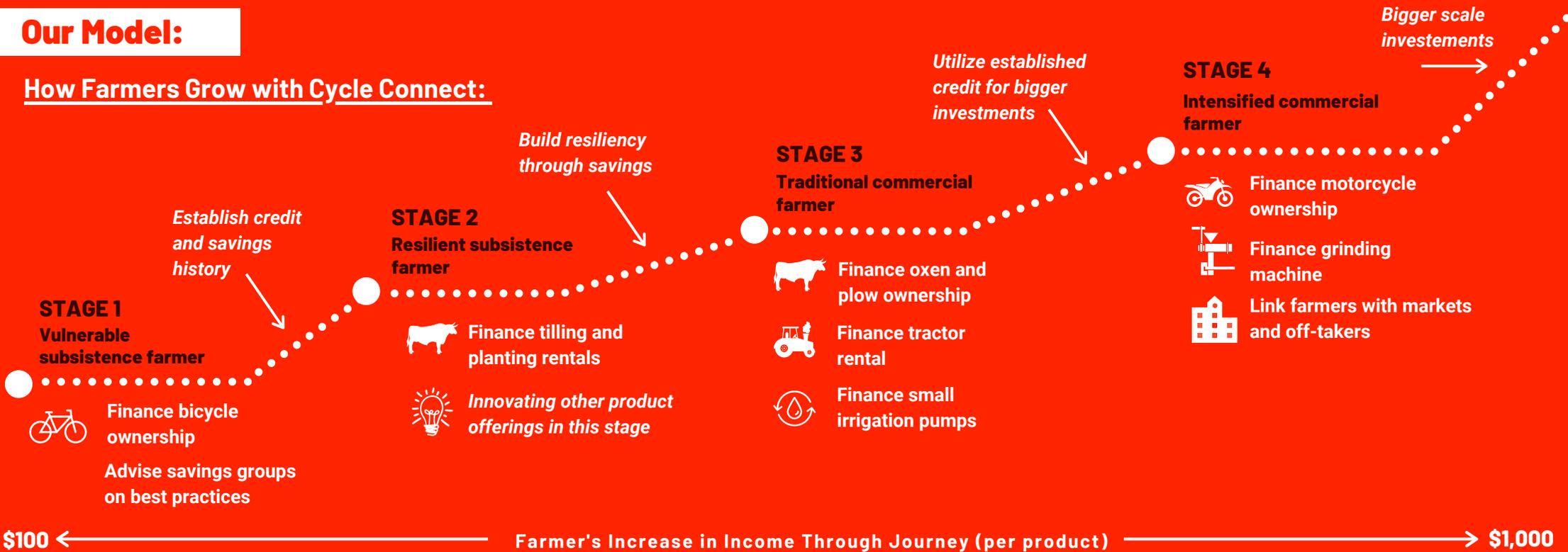


## Our Mission:

Cycle Connect's mission is to increase income for smallholder farmers living in East Africa through productive asset-financing and training.

## Our Model:

### How Farmers Grow with Cycle Connect:



## Product Development

● = Early R&D   ● = Field Testing   ● = Fully Developed



Bicycle



Tilling and Planting Rental



Oxen and Plow



Solar Irrigation Pump



Motorcycle



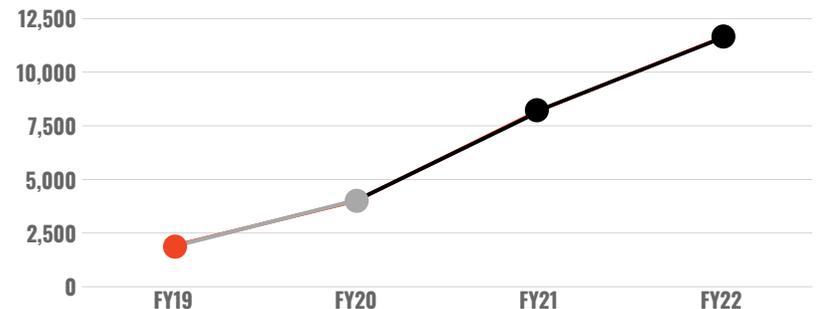
Grinding Machine



## Where We're Going

### FY19 - FY22 Clients Reached

● = Achieved  
● = In Process  
● = Forecasts



## FY2020 Q3 in Numbers

January 1 - March 31

*\*paused activities in last week of March*

# 862

CLIENTS  
SERVED

# 429

TRAININGS  
CONDUCTED

# 93%

REPAYMENT  
RATE

## Lifetime Impact

The impact we achieved in Q2 brings our lifetime impact to:

# 7,372

CLIENTS SERVED  
TO DATE

# 37k

RURAL UGANDANS  
IMPACTED TO DATE

# >30%

AVG INCREASE  
IN INCOME

Finance Numbers

# 11%

PAR 30 DAY

# \$265k

OUTSTANDING PORTFOLIO

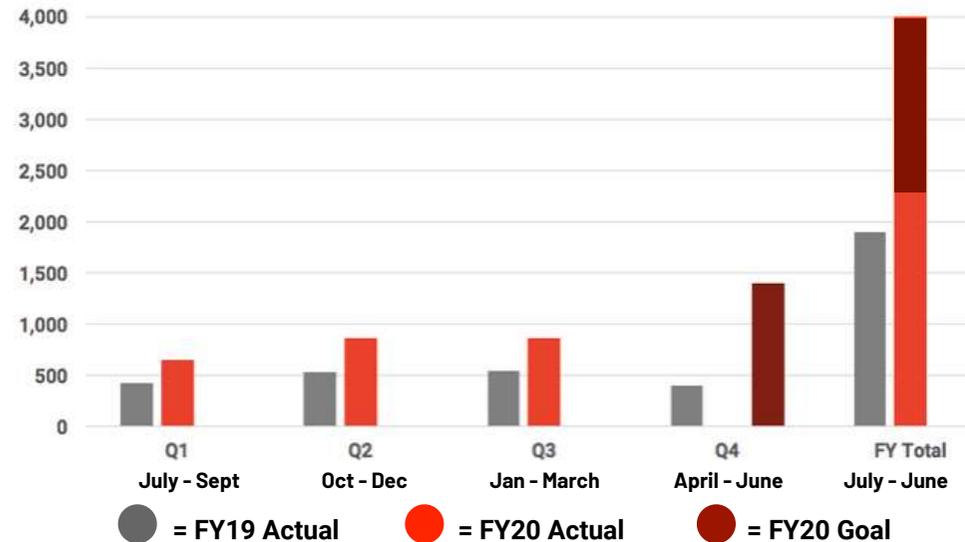
# 1%

WRITE-OFF RATIO

## Performance by Quarter

In FY 2020, our goal is to partner with **4,000 farmers**; COVID-19 will most likely disrupt this goal. Through our sales from July 2019 to March 2020 we achieved 60% of this goal and in response to COVID-19, we are distributing a new seed loan that enables our team to continue to support Ugandan farmers through the pandemic.

### FY19 vs. FY20 Quarterly Sales Performance



The effects of the global pandemic began to hit Uganda in mid-March, the last month of our third quarter. At this time we closed our office and had to put the majority of new sales on pause as we shifted gears to focus on our response efforts (detailed on next page). Despite closures, our third quarter represents a 56% increase in sales performance compared to our previous fiscal year (FY19 Q2).

We are grateful to our supporters and our partners who fuel this growth and empower our team to create access and opportunity for the most remote families in Uganda.

# Spotlight on Cycle Connect's COVID-19 Response

## Rural Families are Struggling in the Face of COVID-19

This pandemic has left rural communities even more isolated and in need of basic resources.

### Our team is taking action by:



#### 1. Preventing Hunger for Rural Families

Rural families are struggling to put food on the table. We're ensuring our community stays food secure through delivering seeds + tilling services. [Learn more.](#)



#### 2. Providing Transport for Healthcare Workers

Healthcare workers are struggling to make it to clinics during the transport ban. We're moving fast to get bicycles into the hands of healthcare workers. [Learn more.](#)



#### 3. Communicating Crucial COVID-19 Information

We launched a support call center to communicate out crucial information about COVID-19 to rural communities. [Learn more.](#)

### We're Creating Access for:



#### Families like Acio Harriet's

Harriet's family is quickly running out of their food supply due to lockdown measures that isolate families in the last mile. Harriet will be able to replenish her seed supply through our new seed + tilling loan. [Read Harriet's story.](#)



#### Nurses like Ajok Lily

Lily is a nurse in Uganda who was struggling to access the clinic she works at due to the ban on public transport. After receiving a bicycle from Cycle Connect, Lily can show up and have the energy to fight on the front-lines. [Read Lily's story.](#)



#### Farmers like Oneka Michael

Michael is one of the many clients who voiced that his family needs our services now more than ever. Through our new Seed loan, Michael will be able to access the services he needs to continue planting. [Read Michael's story.](#)



Seeds delivered to our office for our team to begin distribution to farmers in need.



A healthcare provider in Lira, Uganda receives bicycles for their team donated by Cycle Connect.



A Cycle Connect loan officer makes phone calls to rural families through our new remote call center.

## Q3 Program Updates

January 1 - March 31



**Anyango Margaret**

The bicycle that Anyango Margaret received from Cycle Connect helped her simplify everything at home. In February 2020, she decided to further invest by taking a grinding machine loan; **becoming our first female client to take this loan.** She says she chose to invest in this product because she lives in an extremely rural place where people have to travel far distances to access a grinding machine. She believes by creating access in her community she is helping her neighbors while also building a sustainable business that will support her family.



## Credit & Marketing

### Our Team:

- Successfully completed re-zoning project to maximize field officer efficiency.
- Conducted two marketing campaigns where we reached out to over 1,000 farmers.
- Grew Lira branch operational coverage to include four additional sub-counties.
- On-boarded and trained seven new field team members.



## Operations

Quarter three was focused on optimizing systems to enhance our credit department.

### In Q3, our team:

- Transitioned from tracking sales via spreadsheets to Hubspot CRM.
- Designed a survey through Kobo toolbox to gain insights around quality, performance, and perception of our products and loans.
- Began testing new client loan appraisal.



**In our third quarter, we reached farmers like Anyango Margaret**



## Finance & Fundraising

In our first three quarters (July 1, 2019 - March 31, 2020), we have achieved 81% of our overall fundraising goal of \$650k. In February, our team was delighted to have Peery Foundation step in for a multi-year commitment.



In Q4, our team is working to close this gap and raise an extra \$50,000 in support of our COVID-19 response.



## Innovations and Research

Our Innovations Department was focused primarily on product development with design and launch of tilling loan.

### Our team:

- Launched 162 tilling and seed test loans (with 29 disbursed in March and 133 in pipeline for early April). Main challenges identified are underdeveloped farms, identifying the right seed variation, and last minute farmer planting decisions.

*Note: Our work in Q3 to test seed + tilling services unknowingly prepared our team for our COVID-19 response which includes seed distributions to prevent a hunger pandemic.*

## Q3 Organization Updates

January 1 - March 31



## Team Updates



- **Working From Home**- Our team is still hard at work to support last mile communities but we are doing this work remotely from home due to the COVID-19 pandemic. **Within 48 hours we turned our field team into a support call center and made over 2,000 calls in the first two weeks.**

- **New Branch Manager** - Our Gulu branch promoted William Kainan Ocitti, a previous credit officer with over 10 years of experience, to the position of Branch Manager. We're impressed with his ability to grow and mentor a team. Cycle Connect is grateful that our team members, like William, are deeply committed to our vision and mission.



## Thought Leadership

COVID-19 is Impacting the World's Most Vulnerable in Significant Ways  
*SEE Change Magazine*

[Read here →](#)

Cycle Connect's Early Response to COVID-19:  
March 2020  
*Cycle Connect Blog*

[Read here →](#)

Last Mile Dispatches: Cycle Connect's Response to COVID-19 in Uganda  
*Cycle Connect Blog*

[See our Latest Dispatch →](#)

## What We Are Reading?

To Get To The Root Of A Hard Problem, Just Ask "Why" Five Times  
*Fast Company*

[Read here →](#)

'Instead of Coronavirus, the Hunger Will Kill Us.' A Global Food Crisis Looms.  
*New York Times*

[Read here →](#)

Commuting In A Pandemic: These Health Workers Are Trekking And Canoeing  
*NPR | Goats and Soda*

[Read here →](#)

**We envision a world where everyone living in the last mile has the means to thrive, not just survive.**



*Thank you for being a part of our journey!*

Partners in our Mission

