



**Quarterly Program Report - Q2 | FY 2021**

## Executive Summary



Dear Friends,

Happy New Year! I hope that your 2021 is off to a peaceful and healthy start.

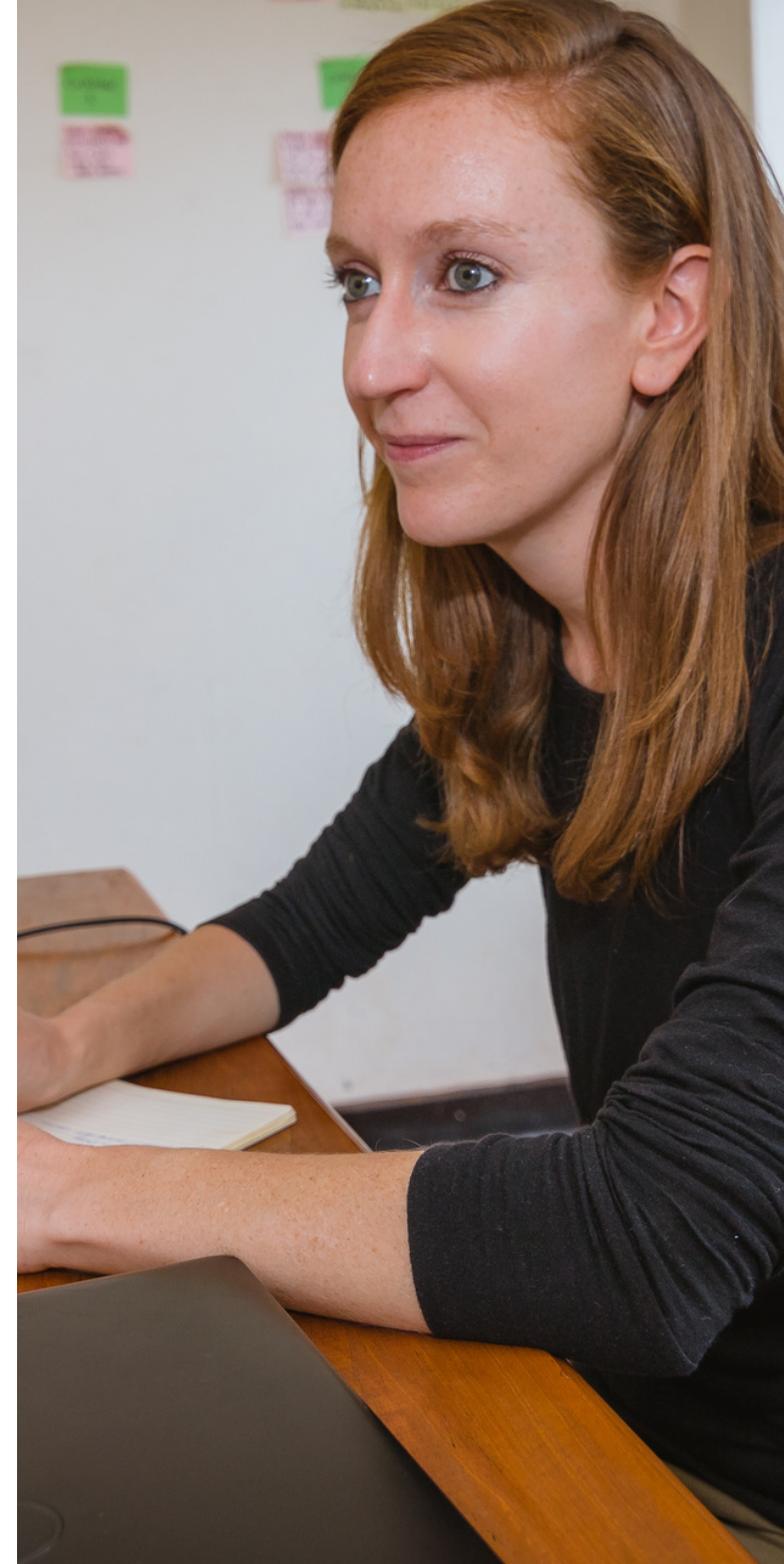
As we kick off our third quarter at Cycle Connect, I am grateful for the generosity of our global community, the resilience of our leadership team, and the commitment of our staff towards our vision. I believe that in the calendar year 2021 we will be able to heal from the challenges of the pandemic and move forward towards a more equitable world—a world where every family in the last mile has the means to thrive, not just survive.

Cycle Connect is halfway through our 2021 fiscal year (ending June 30th, 2021) and we are 45% of the way to our fiscal year goal of working with 4,000 clients. In this quarter (Q3) we are expecting to work with 946 last-mile clients. During this period we will be pushing digital payments for our clients, further implementing SMS interactions, and testing incentives for group leaders of the savings groups we work with.

Despite the many challenges that the global pandemic presented, I am proud that we were able to retain our whole team. And, we are currently recruiting for many key positions (p.7) to support our growth.

I hope you enjoy this update and I am continuously thankful to have you on this journey with us!

All the Best,  
**Molly Burke**  
CEO

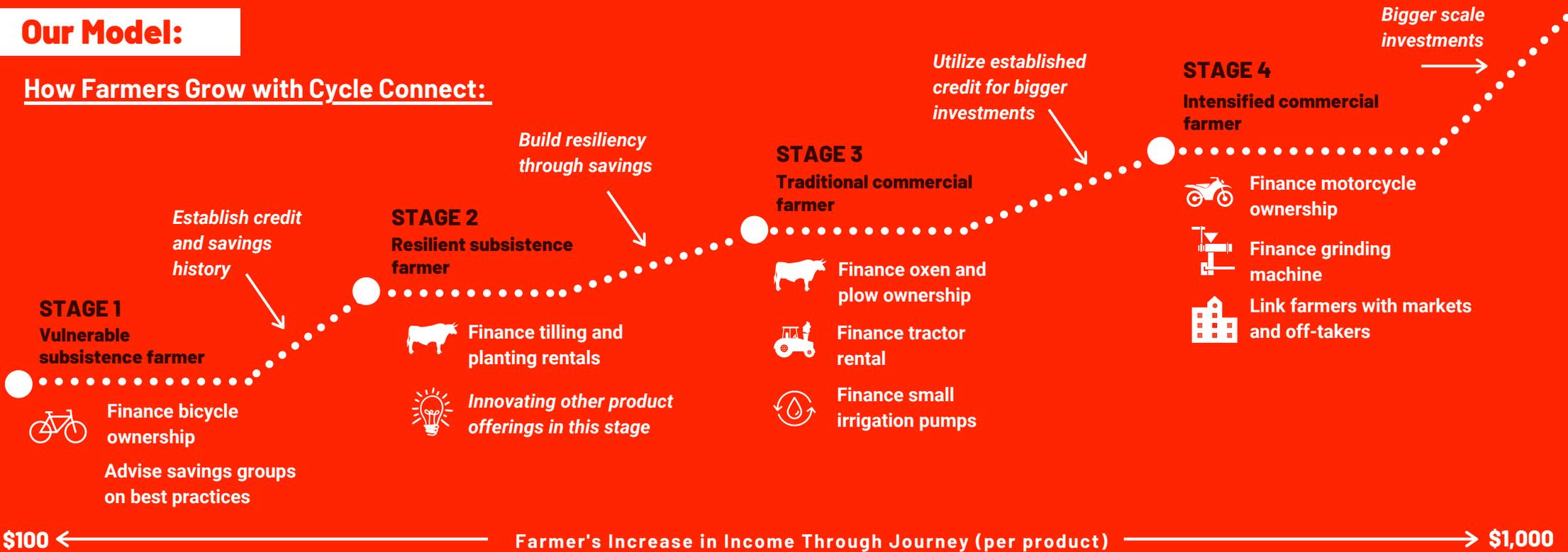


## Our Mission:

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



## FY2021 Q2 in Numbers

October 1st - December 31st

**311**

CLIENTS  
SERVED

**1,696**

TRAININGS  
CONDUCTED

**93%\***

REPAYMENT  
RATE

\*Repayment rate does not include our seed loan which was a part of our COVID-19 response

## Lifetime Impact

The impact we achieved in our 2nd quarter of our 2021 fiscal year brings our lifetime impact to:

**10k**

CLIENTS SERVED  
TO DATE

**50k**

RURAL UGANDANS  
IMPACTED TO DATE

**>30%**

AVG INCREASE  
IN INCOME

Finance Numbers

**20%**  
PAR\* 30 DAY

**\$364k**  
OUTSTANDING PORTFOLIO

**<1%**  
WRITE-OFF RATIO

\*PAR stands for Portfolio at Risk



# Q2 Program Updates

October 1st - December 31st



## Credit & Marketing

### Highlights:

- Progress on **digital solutions** (more detail on the next page)
- Client loans that were restructured due to the pandemic are performing very well
- Piloted testing of **group leader incentives** to encourage stronger group repayments
- Many of our farming clients experienced a poor harvest season in December due to high levels of rainfall leaving them with little profits affecting our overall repayment rate



## Development & Fundraising

\$800k

\$600k

\$400k

\$200k

\$0k



FY21

### Highlights:

- **80%** of the way to our FY21 (ending June 30, 2021) philanthropic goal
- CEO Molly Burke was selected as a [Mulago Rainer Arnholt fellow](#) and Cycle Connect was awarded **\$50,000** from the Mulago foundation

## Spotlight on Digital Solutions

In FY 2021, one of Cycle Connect's strategic goals is to strengthen our digital processes. By fiscal year-end, our team will move all new clients from cash to mobile money and ensure at least half of clients receive a regular text message from our team to strengthen our digital interaction with them.

### Achievements to date:

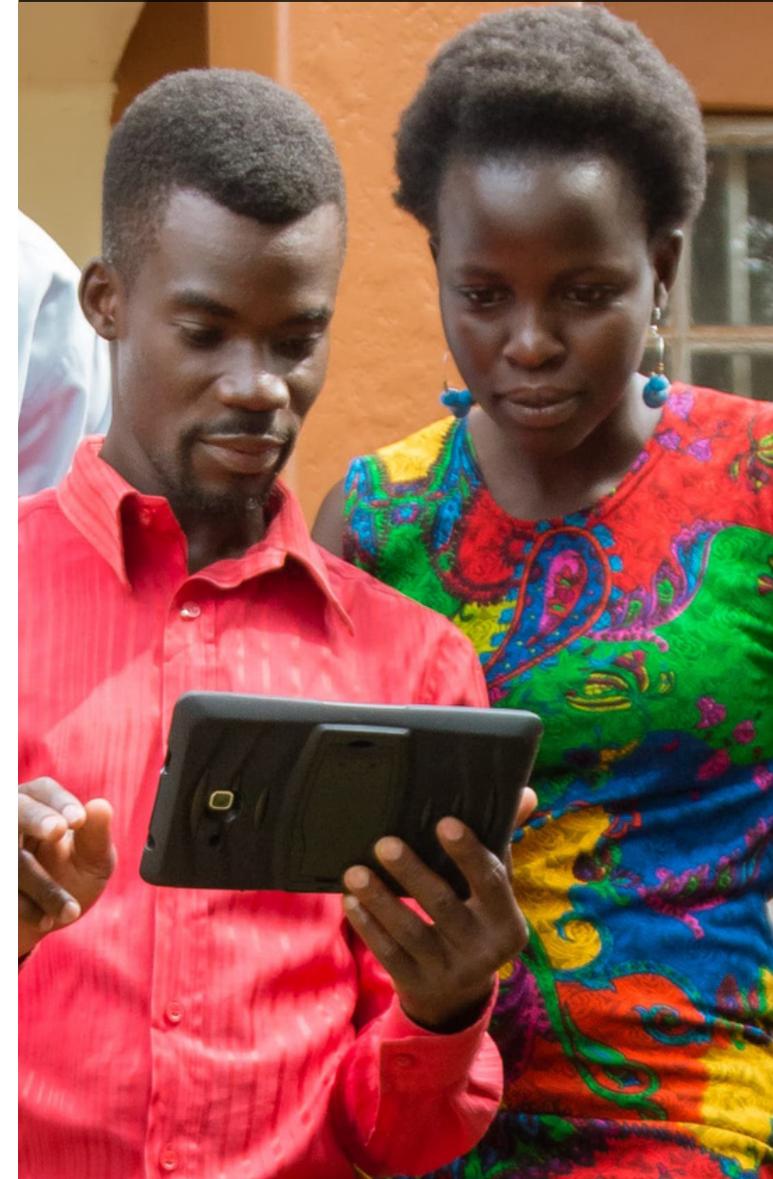
- Implemented incentives for both savings group leaders and Cycle Connect field officers to encourage client mobile repayments
- Conducted 175 mobile money payment trainings in Q2
- 75% of clients paid their loan through mobile money in December 2020
- Implementing mobile repayments has led to reduced field costs
- 2,000 clients received text message interactions in Q2

### Current Challenges:

- A few of the last mile communities we operate in lack a mobile money agent in their community--making it more challenging to access digital technology to repay their loan
- Clients are still getting familiar with mobile repayments affecting our overall repayment rate

"Increased digitization through mobile repayments means that our clients can be financially included from anywhere."

*-Aggrey Fred Kintu, Regional Manager*



## Q2 Organization Updates

October 1st - December 31st



### Team Updates

Despite the many challenges of 2020, we are happy to report that we were able to retain our complete team and we are currently hiring for several positions.

*Cycle Connect is looking for:*

- **HR Manager**- We are looking for a passionate and dedicated individual to lead our human resources and talent through rapid growth and transformation.
- **Head of Innovations**- We are looking for an inventive and experienced individual to lead our innovations department and to join our senior leadership team.

### Cycle Connect Coverage

Cycle Connect is Creating Opportunity in the Last Mile by Connecting Farmers to Transformational Assets

At Cycle Connect, we believe that by creating access to assets for rural households, we can elevate whole communities out of poverty. Check out our latest blog post exploring the power of assets for rural families in Uganda.

[Read here →](#)

### Lend a Helping Hand

We're setting up a monitoring and impact data collection system- know of a company or individual that has experience implementing a system like this?

***Get in touch, we'd love to get connected!***

**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

