

**QUARTERLY
PROGRAM
REPORT**

Q3 | FY 2022



Executive Summary



Dear Friends,

Thank you for your continued investment in our mission.

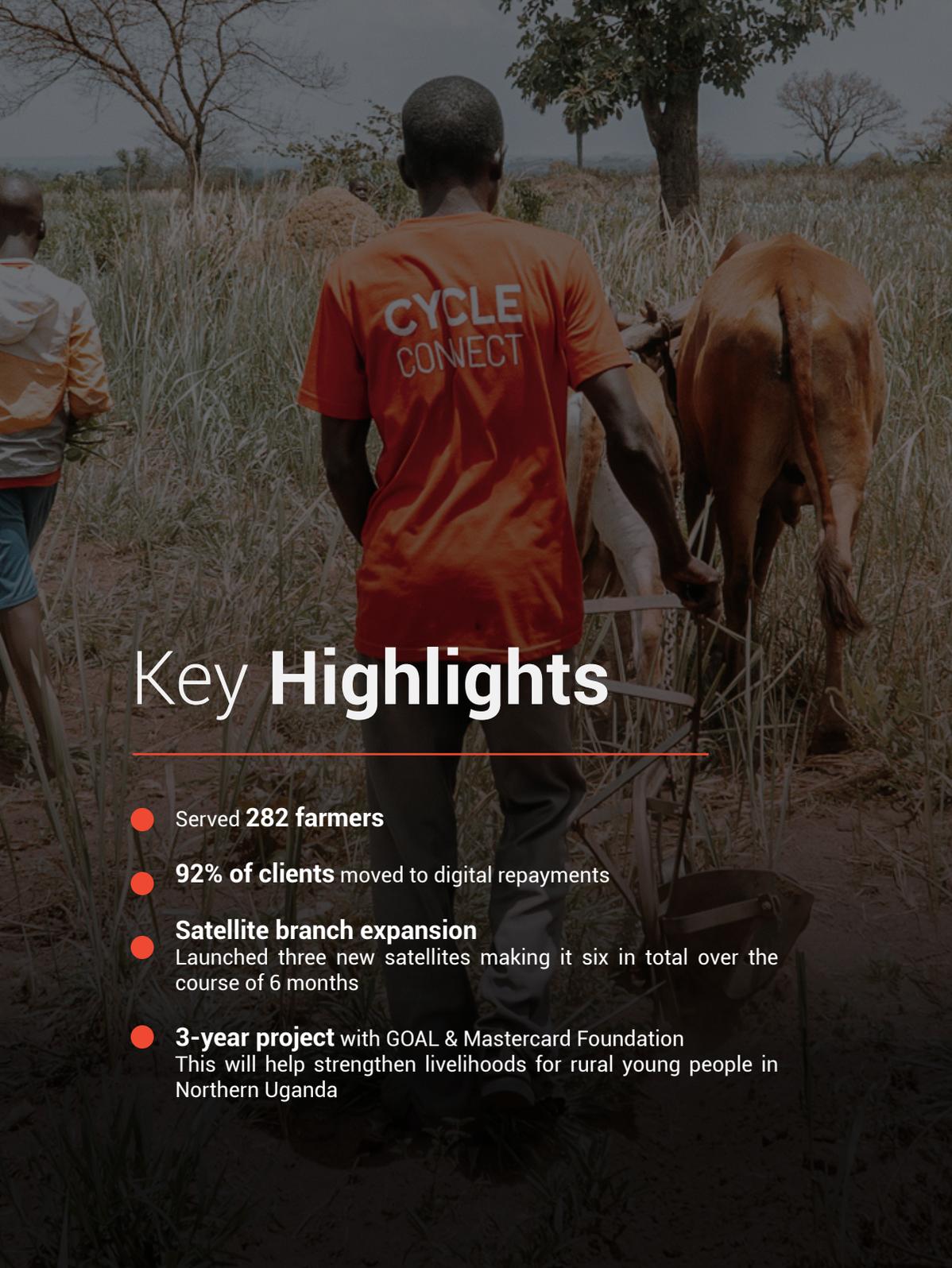
At Cycle Connect, over the past quarter, our team kicked off the new year reflecting on our success in 2021 and focused on our growth plan for 2022 and beyond. In the 2021 calendar year, we celebrated serving over 1,000 rural clients across northern Uganda. In this calendar year, our team is growing this number by 50% to connect over 1,500 rural families to transformational products.

In the last quarter, we took the first step to achieving this goal by launching three new locations. We will be adding three more satellite offices in the next quarter, bringing it to a total of six new launches in six months. This will enable our team to move closer to our clients and go into areas that are historically unbanked to create financial inclusion for last-mile communities.

The following report takes a look at the success our team achieved in Q3. Some of the highlights include serving 282 farmers and securing a three-year project with GOAL and Mastercard Foundation to strengthen livelihoods for rural young people in northern Uganda.

Our team is entering this new year with renewed momentum towards our mission to increase income for smallholder farmers in East Africa. I am excited to see where we go and I am grateful to have you as a partner in this journey.

All the Best,
Molly Burke, CEO



Key Impact

Q3 in numbers

282

Clients Served

1,042

Trainings Conducted

88%

Repayment rate

Products distributed

72 Bicycles

182 Oxen and plow

28 Motorcycles + grinding mills

Lifetime Impact

11K clients served to date

60k rural ugandans impacted to date

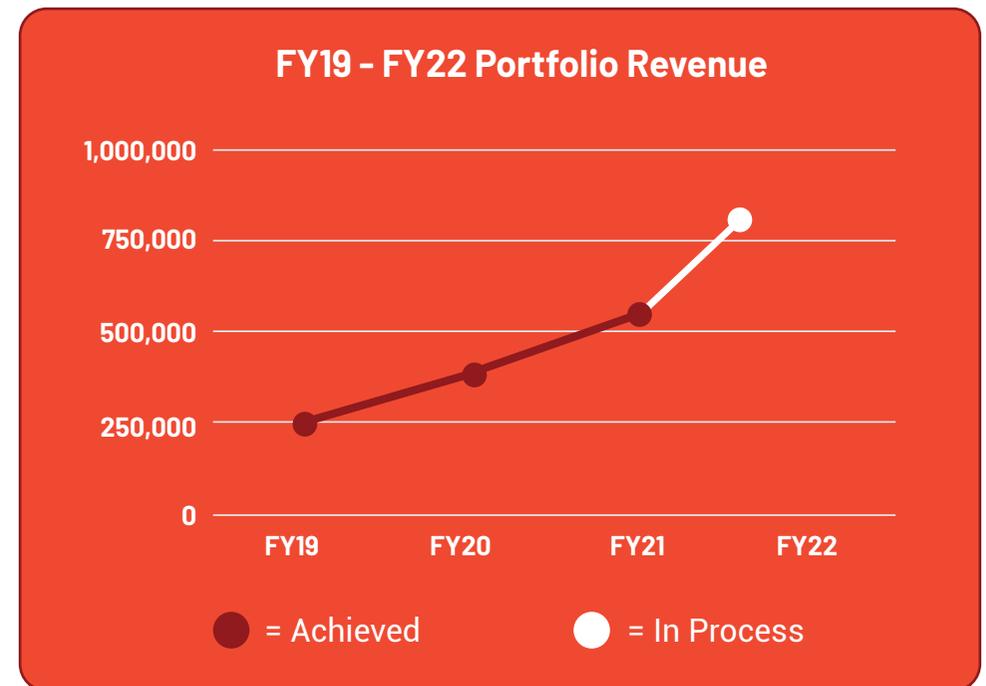
>30% average increase in income

Key Highlights

- Served **282 farmers**
- **92% of clients** moved to digital repayments
- **Satellite branch expansion**
Launched three new satellites making it six in total over the course of 6 months
- **3-year project** with GOAL & Mastercard Foundation
This will help strengthen livelihoods for rural young people in Northern Uganda



Where **we are going**



In FY22, Cycle Connect is on track to receive \$766,000 in portfolio revenue from over 1,500 rural farming clients, increasing revenue by roughly 50% from FY21.



Spotlight:

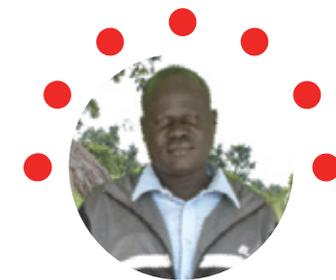
Launching our First Satellite Office

In 2022, Cycle Connect is moving even closer to our rural clients by setting up six rural satellite offices across northern Uganda.

In January, our team celebrated the launch of our first satellite office in Atiak, Uganda. This new space will enable our team to create access to more financially excluded communities and reach them faster than ever before.

Satellite offices enable our team to:

- go farther to reach last-mile communities
- increase access to transformational products that increase income
- serve rural clients that have been financially excluded for too long



Ayella Nelson

"I have successfully completed over four loans through Cycle Connect. These assets have helped me expand my farm, create food security for my family and grow my income. I'm excited to have Cycle Connect move closer."

Cycle Connect Ambassador

Stories from the Field



Akello Evalyn

When one of Akello Evalyn's sons dropped out of school, he started doing brick work, but the pay was too low to support. He then decided to begin driving a motorcycle taxi.

Soon enough, he found out about Cycle Connect through friends in the motorcycle business so he requested for a loan that his mother, Akello, helped acquire on his behalf.

Akello's son received his motorcycle in April 2021 and ever since then, he's been able to consistently support his siblings with tuition fees and is now saving up to buy land.



Okot Alfred

Okot Alfred is a full-time farmer. Before learning about Cycle Connect, Okot faced challenges in being able to till his land and produce a sufficient harvest for his family. He had access to land and wanted to open up more to effectively till, however, he lacked access to the right equipment fit for his land.

When he finally got connected to Cycle Connect he secured an oxen and plow loan, which has helped him expand his land and hire out his oxen and plow for his neighbors to use as well. Okot is now the go-to farmer in his village!



Q3 Program Updates

Credit & Marketing

Highlights:

- Received mobile money repayments from 92% of our clients. This is a huge win in our journey to digitizing our loan process.
- Trained the credit department on data analysis to enable officers to independently extract and make meaning from reports in our loan management system.

Development & Fundraising

Highlights:

- To date, we're over 80% of the way to our \$800k goal.
- Secured a three-year project with GOAL & Mastercard Foundation to strengthen livelihoods for rural young people in Northern Uganda.

HR & Operations

Highlights:

- Launched a live, online map that tracks our penetration of operation by product and clients.
- Implemented a new performance appraisal system developed with a focus on OKR evaluation.

Research & Innovations

Highlights:

- Hired a new M&E Associate who joined our team this quarter.
- Tested new tools development in our M&E department through indicators and surveys.
- Ran a sprint testing oxen and plow partial repayments to mitigate against repayment fatigue. We saw an increment of 48% in repayments of loans.

Q4 Goals

How are we finishing the year **strong**?

In Q4 our team is focused on:

- Digitizing our credit and operations processes by leveraging the current investment in ICT
- Launching an agent model to support our outposts by kicking off a 3-year project with GOAL
- Testing 1-2 market fit products in our innovations department with the goal of deploying at least one new product
- Opening three new satellite office (bringing it to a total of six) in northern Uganda to expand our reach and create more access for rural farming clients

Special thanks to our Partners in Mission

For continuously stepping up to support small scale farmers in rural areas over the years. We are grateful to you and your generous funding and support extended to us throughout the year.

Thank you for taking action on your desire to elevate the socio-economic lives of farmers in rural northern Uganda.





What We're Reading

Organization Updates Pitfalls in MFI Digitization: **Not Listening to the Customer**

A key focus area for Cycle Connect in FY22 is digitization across our loan process. This CGAP article explains how one of the biggest mistakes MFIs make is forgetting to include the customer in the process.

[READ MORE](#)

Digitization in Microfinance: **Case Studies of Pathways to Success**

Technology has created a huge opportunity for the advancement of the traditional MFI process. This working paper from CGAP takes a look at MFIs that successfully created measurable customer and business value through digitization.

[READ MORE](#)

Know Your Customers' **"Jobs to Be Done"**

This HBR article argues that one of the most important questions to ask in the product development process is "what job is the customer trying to get done?" If we can understand this key element, we can design products that clients will find value in.

[READ MORE](#)

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



Partners in our Mission

