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2023 Q1 – Revenue, Gross margin and Customer Activity.

- ◆ Our 2023 Quarter One sales grew by 2.3X compared to the first quarter of 2022.
- ◆ The reason we witnessed this kind of growth is an improved level of working capital and the increase of sorting centers from two to 4.
- ◆ We also managed to service 6700+ orders as compared to 3401 in the first quarter of 2022.
- ◆ We grew our customer portfolio by 368 new and active registrations during the quarter.
- ◆ We, however, saw a dip in our gross margin from 7.3 % to 5.7 % due to the limited working capital that we applied on cereals, our key margin driver. We are taking steps to address this by raising a working capital facility with our Bank – there has been a delay in the process due to bank procedures, but it is now at an advanced stage, and we are hopeful that it will be closed in May 2023.

| Month | 2023-Jan | 2023-Feb | 2023-March | Cumulative |
|--------------------------------|-----------|-----------|------------|------------|
| Revenue | 41,537.00 | 48,898.00 | 59,779.00 | 150,214.00 |
| Gross Trading Margin | 5.78 | 5.69 | 5.74 | 5.74 |
| Gross Trading Margin(Absolute) | 2,401 | 2,782 | 3,431 | 8,614 |
| No Of Orders | 2257 | 2089 | 2391 | 6737 |
| New Customers | 139 | 75 | 154 | 368 |





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| Month | 2022-Jan | 2022-Feb | 2022-March | Cumulative |
|--------------------------------|-----------|-----------|------------|------------|
| Revenue | 18,937.00 | 20,469.00 | 24,760.00 | 64,166.00 |
| Gross Trading Margin | 7.58 | 7.37 | 7.02 | 7.32 |
| Gross Trading Margin(Absolute) | 1,435 | 1,509 | 1,738 | 4,682 |
| No Of Orders | 748 | 1209 | 1444 | 3401 |
| New Customers | 89 | 186 | 103 | 378 |





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2023 Q1 – Sales & Marketing Activities.

Customer visits by our sales team remain the main method we have been using for our marketing and this is what has made us achieve the 49% growth in the number of orders we have serviced and the 368 new active customer accounts.

2023 Q1 – Tech Product Growth.





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- ◆ We have revamped our ecommerce solution (customer placing app) to make it more user friendly and with new features such as
 1. AI to autosuggest products to customers based on their individual purchasing patterns.
 2. AI to recommend new products to customers based on what other customers are buying.
 3. Quantity based discounting depending on the bulkiness of the customer's order.
- ◆ We have also revamped our Sales force app to include the following features
 1. Ability to onboard customers.
 2. Ability to sell and pick orders from customers who do not have smart phones.
 3. Real time target and commission tracking.
 4. Enhanced commissioning module which allows us between a sales volume-based structure and a product margin-based. This will help the business in managing the selling costs that we incur.
- ◆ We have also improved our analytics engine with a great focus on product margins optimizations and customer activity tracking.





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2023 Q2 Actions and Plan.

- ◆ Optimizing our operational costs to Increase our runway. We are taking cost-cutting measures to ensure the business can cater for its costs. Actions being taken include: -
 1. Geographical repositioning of our sorting centers and reducing the numbers from 4 to 2 while still maintaining the same customer base. We have also put our Uganda operations on hold pending conclusion of fundraising to conserve cash.
 2. Reducing our Head office and operating costs by relocating operations from GM Warehouse to a smaller but better located address that is also acting as a sorting center and is still well-placed to service our existing customers.
 3. Review of our organization and headcount to minimize cash burn pending fundraising. This includes placing developers on flexible part-time contracts and releasing some operations staff due to the sorting centers optimization as above.
- ◆ Finalization of the working capital facility with our bank with expected closure in May 2023 for about 50K USD. This will help us grow our revenue and gross trading margins by focusing the same mainly on bulk purchase of cereals.
- ◆ Revamping our Ryda application to help us plan and track well our delivery model.

