

DSE Loan Application (Stage II)

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| Submission ID | 3948972983846543101 |
| Submission Date | 2018-02-19 18:55:05 |
| Social Enterprise Name | MoringaConnect |
| Your email | kwami@moringaconnect.com |
| Physical address | 25 Kingston St Unit 6F Boston MA 02111 United States |
| When did your social enterprise begin operations? | 2013 |
| How many paid employees do you have? | 80 |
| Ownership status | Multiple shareholders |
| Legal status | Corporation |
| Year legally incorporated | 2013 |
| Legal Registration Certificate (Articles of Incorporation, Articles of Organization) | MoringaConnect LLC - DE - Certificate of Incorporation filed 2-18-2018 2....pdf |
| What problem are you trying to solve? (2-5 sentences) | There are 1.5 billion acres of fertile, uncultivated land in Africa. There are 175 million subsistence farmers living on that land earning less than \$2 per day. The moringa tree is a nutritious, sustainable crop in demand on the global food and beauty market through which farmers can increase their incomes by 10x. The majority of farmers fail to capture this value due to a lack of capital, technical training, and global market access. |
| What is your Business Model and how does it solve this problem? (2-5 sentences) | We manage the first vertically integrated supply chain for moringa, turning moringa seeds into oil for hair and skin care under our True Moringa brand (60%+ gross margin), and turning nutrient-rich moringa leaves into tea and powder under our Minga Foods brand (40%+ gross margin). We engage 2900 smallholder farmers, providing tools, training, and a guaranteed market for their produce. To date, we have planted over 400,000 trees to prevent deforestation and malnutrition. |
| Where do you operate/what does your market look like? (2-5 sentences) | In 2015, the market size for moringa products was approximately \$4B and growing at a rate of 9% annually. By 2020, it will reach \$7B. This growth is being driven by several categories globally, including: Minga Foods: -Nutritional supplements: \$93B -Snack foods: \$374B -Superfoods: \$130B -Tea: \$15.4B True Moringa: -Skincare: \$162B -Haircare: \$107B -Natural Cosmetics: \$30B |
| Why are you better than your competition? (2-3 sentences) | We are the first vertically integrated company to bring moringa oil and powder to the global market, turning would-be competitors into wholesale customers. We add value in Ghana using a proprietary production process, and independent lab results confirm our oil and powder exceed our competitors'. |

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| Who supports you so far? (2-5 sentences) | <p>Customers: We have partnerships with Aveda (Estee Lauder's natural brand), and Birchbox (1MM subscribers).</p> <p>Our brands have won Best of Indie Beauty Expo and Best of NY NOW, and been featured in Forbes, The Economist, The Guardian, Upworthy, Allure, Food & Wine Magazine, Nylon, Well + GOOD, and Refinery29.</p> <p>Funding: Echoing Green and Greater Impact Foundation are our biggest grant funders. We closed a convertible note in 2017 led by Vested World and Invictus Africa.</p> |
| What are the major risks in both your business model and with this loan? (2-3 sentences) | <p>Environmental: Climate Change</p> <p>Financial: Ghana Cedi currency fluctuations</p> <p>Market: Commodification of moringa</p> |
| Please share a brief summary of your social enterprise in 250 words or less. (Try to answer the problem you wanted to solve, how you solve it and what the impact of the loan is.) | <p>MoringaConnect's mission is to improve lives through the moringa tree- a crop known locally as 'the miracle tree' for its nutritional, medicinal, and economic value. Starting in Ghana, we've built the first vertically integrated supply chain to improve farmer livelihood and turn their underutilized moringa seeds into clean beauty products under our award-winning True Moringa brand and their moringa leaves into nutritious beverages and snacks under our Mingo Foods brand. We connect farmers to the technical training and agriculture inputs they need to grow moringa well; teach them how to integrate moringa leaves into their everyday diets combating rural malnutrition; serve as a guaranteed market for the seeds and leaves, increasing their incomes by 4x-10x; produce moringa seed oil and leaf powder using a proprietary process in Ghana; and distribute our products wholesale and under our retail brands in Ghana and for export to seven countries.</p> |
| If you have a Business Plan/5-year Strategy or similar document, please attach it here, otherwise the following questions are mandatory | <p>[Kiva] MoringaConnect Deck.pdf</p> |
| Please describe your current and future sales strategy (3-5 sentences) | <p>MoringaConnect earns revenue by selling moringa oil and leaf powder products wholesale and retail. Our oil wholesale and retail business generated 94% of our historical revenue. In 2018, we will focus our oil sales on retail growth and grow leaf powder operations to fulfill wholesale powder orders to clients in our \$3M+ pipeline. In 2018+, we will also begin to commercialize our R&D using our oilseed by-products for waste water treatment and plant-protein food applications.</p> |
| Please state your average days sales outstanding/days receivables | <p>30</p> |
| Please describe your current and future supply chain strategy (3-5 sentences) | <p>Historically, we've worked with a decentralized network of households and farmers. In 2017 we launched a nucleus farm to provide a centralized irrigation and inputs to ensure our farmers' yield and get their produce certified organic. This farm allows us to supply moringa leaf products in addition to our oil products. Moving forward, we will continue to expand this model: building infrastructure and providing certifications to farmers to share in the premium moringa market.</p> |
| Please state your average days payable outstanding | <p>3</p> |
| What is the most important social impact metric/KPI that you track? How do you measure this? | <p>Income to farmers</p> |
| Based on this KPI, what has been your impact to-date? | <p>\$465,706.52 since Q42013</p> |

| Based on this KPI, what is your anticipated future impact in the next one to two years? | <p>This loan will directly enable us to process: 2018: 39,431.77 kg of seeds providing \$183,403.58 in income to moringa seed farmers 2019: 95,858.75 kg of seeds providing \$378,976.45 in income to moringa seed farmers Indirectly, it allows us to co-invest into our moringa leaf powder processing operations which in 2018 and 2019 alone will provide an additional \$432,683.41 in income to our leaf farmers.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|-------------|-----------|--------------------|--|--|------|-------------|------|--------------------|-------|---|--------------|--|------|--------|--|---|-----------------------|--|------|--------|--|---|-------------|--|------|--------|--|---|----------------|--|------|--------|--|---|--------------------------|--|-----------|--------|--|---|------------------|----|--|--|--|---|----------------|----|--|--|--|---|-----------------------|----|--|--|--|---|--|--|--|--|--|----|--|--|--|--|--|
| Do you track any other social impact KPIs? | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| What is another impact social impact metric/KPI that you track? | Farmers served; Trees planted; Jobs created; | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Based on this additional KPI, what has been your impact to-date? | Served 2900 farmers; planted over 400,000 trees; Created 80 jobs; | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Based on this additional KPI, what is your anticipated future impact in the next one to two years? | <p>By EY 2020 (Aggregate): Farmers Served: 11,153 Trees Planted: 3,746,256 Jobs Created: 300</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| How many clients have you served/impacted over the past 12 months? | 11600 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| How do you define clients served/impacted? | We used an average of family/dependent size of 4 people per farmer we serve (train, support to plant moringa, and/or source moringa from) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Impact Study | One Acre Income Chart Moringa vs. Other Crops.pdf | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Equity contributions (all time) | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| List of Shareholders (For all shareholders with more than 5% ownership) | <table> <tr> <th></th><th>Name</th><th>% of Shares</th><th>Year</th><th>Amount Contributed</th><th>Notes</th></tr> <tr> <td>1</td><td>Vested World</td><td></td><td>2016</td><td>250000</td><td>Investment is a convertible note, will convert in 2019</td></tr> <tr> <td>2</td><td>Invictus Africa Group</td><td></td><td>2016</td><td>150000</td><td>Investment is a convertible note, will convert in 2019</td></tr> <tr> <td>3</td><td>Ed Brakeman</td><td></td><td>2016</td><td>150000</td><td>Investment is a convertible note, will convert in 2019</td></tr> <tr> <td>4</td><td>Trent McKnight</td><td></td><td>2016</td><td>150000</td><td>Investment is a convertible note, will convert in 2019</td></tr> <tr> <td>5</td><td>Hans & Ingela Sundstroms</td><td></td><td>2015-2016</td><td>100000</td><td>Investment is a convertible note, will convert in 2019</td></tr> <tr> <td>6</td><td>Emily Cunningham</td><td>45</td><td></td><td></td><td></td></tr> <tr> <td>7</td><td>Kwami Williams</td><td>45</td><td></td><td></td><td></td></tr> <tr> <td>8</td><td>Employee Options Pool</td><td>10</td><td></td><td></td><td></td></tr> <tr> <td>9</td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>10</td><td></td><td></td><td></td><td></td><td></td></tr> </table> | | | | | | Name | % of Shares | Year | Amount Contributed | Notes | 1 | Vested World | | 2016 | 250000 | Investment is a convertible note, will convert in 2019 | 2 | Invictus Africa Group | | 2016 | 150000 | Investment is a convertible note, will convert in 2019 | 3 | Ed Brakeman | | 2016 | 150000 | Investment is a convertible note, will convert in 2019 | 4 | Trent McKnight | | 2016 | 150000 | Investment is a convertible note, will convert in 2019 | 5 | Hans & Ingela Sundstroms | | 2015-2016 | 100000 | Investment is a convertible note, will convert in 2019 | 6 | Emily Cunningham | 45 | | | | 7 | Kwami Williams | 45 | | | | 8 | Employee Options Pool | 10 | | | | 9 | | | | | | 10 | | | | | |
| | Name | % of Shares | Year | Amount Contributed | Notes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Vested World | | 2016 | 250000 | Investment is a convertible note, will convert in 2019 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Invictus Africa Group | | 2016 | 150000 | Investment is a convertible note, will convert in 2019 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Ed Brakeman | | 2016 | 150000 | Investment is a convertible note, will convert in 2019 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 5 | Hans & Ingela Sundstroms | | 2015-2016 | 100000 | Investment is a convertible note, will convert in 2019 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6 | Emily Cunningham | 45 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7 | Kwami Williams | 45 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8 | Employee Options Pool | 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Grant contributions (all time) | 518,323 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Which of the following have contributed equity to your organization?

Individual Investors
Investment Funds

If your loan was posted on Kiva, estimate how many individuals from your personal, social, and business networks would lend to you.

300

How would you promote your loan to prospective lenders within your personal, social, and business networks?

We would promote our loan via our monthly newsletters (3200), reaching out to past crowdfunding backers (472), our social media brand followers 5,351, and our team's 5000+ personal social media friends.

List of funders

| | Name of Funder | Funding Source | Type of Funding | Amount | Year | Tenor | Financial Covenants | Notes |
|----|---|------------------------|-------------------|-----------|---------------------------|-----------|---------------------|--|
| 1 | Eastern Bank | Bank | Debt | 100000 | 2016 | 5 years | | 1 month grace period; fixed monthly interest (\$583.33) and principal (\$1,396.79) payments, 5 year term |
| 2 | Friends & Family Lenders | Friends & Family | Debt | 98,500.00 | 2017 | 15 months | | 5% interest amortized over 12 months; 3 months grace; equal monthly principal+interest |
| 3 | Ed Brakeman, Trent Mcknight, Hans & Ingela Sundstroms | Private Investors | Convertible Note | 400000 | Rolling in 2015-June 2016 | 3 years | | Principal+interest converts into equity in equity financing round of \$1M or more |
| 4 | Vested World | Institutional Investor | Convertible Note | 150000 | June 2016 | 3 years | | Principal+interest converts into equity in equity financing round of \$1M or more |
| 5 | Invictus Africa Group | Institutional Investor | Convertible Note | 250000 | Nov 2016 | 3 years | | Principal+interest converts into equity in equity financing round of \$1M or more |
| 6 | Kiva Zip | Crowdfund | Debt | 15000 | 2013, 2014 | 3 years | | Paid Off |
| 7 | Friends & Family | Friends & Family | Debt | 109750.00 | 2014-2016 | 18 months | | Paid Off |
| 8 | Greater Impact Foundation | Family Foundation | Grant | 400000 | 2016, 2017 | | | |
| 9 | Echoing Green | Not for Profit | Recoverable Grant | 90000 | 2014-2016 | | | |
| 10 | MIT D-Lab Scale-Ups Fellowship | Not for Profit | Grant | 25000 | 2012, 2013 | | Start-Up Capital | |

| Revenue/Net Profit Actuals & Projections | | Year | Revenue | Net Profit |
|--|--------|------|--------------|------------|
| | Year 1 | 2014 | \$14134.94 | 243.92% |
| | Year 2 | 2015 | \$37,352.03 | -68.42% |
| | Year 3 | 2016 | \$201,726.82 | -39.77% |
| | Year 4 | 2017 | \$286,140.68 | -33.83% |
| | Year 5 | 2018 | \$2,753,417 | -17% |

Historical financial statements, including Income Statement, Balance Sheet, Statement of Cash Flows, and Notes (audited or unaudited)

[MC USA Income ALL YEARS.pdf](#)

YTD P&Ls, Cash Flow statements, most recent Balance Sheet, and/or Purchase Orders/Accounts Receivables/Invoices

[MC USA Balance ALL YEARS.pdf](#)

Leadership 1

Kwami Williams (<https://www.linkedin.com/in/kwami-williams-ba336a72/>)- Kwami was born and raised in Ghana and immigrated to the United States in the fourth grade. His passion for science and infatuation with flight led him to pursue a degree in Aerospace Engineering at MIT and to intern with NASA. He first returned to Ghana through a service trip 10 years later, and his encounter with rural poverty in the region led him to restructure his Aerospace Engineering degree and create the first Global Development concentration in the department. He has since applied his engineering skills to the international development sphere. In partnership with MIT's D-Lab, he has co-designed an award-winning human powered centrifuge, a low-cost heat sealer, cell phone chargers for off-grid communities, and led the research and development of processing technologies. Today, he serves as the Co-founder & CEO, overseeing team building, fundraising, and strategic growth. He is a Quartz Top 30 Africa Innovator, Forbes 30 Under 30, Echoing Green Fellow, MIT D-Lab Scale-Ups Fellow, Harambe Entrepreneur Associate, MassChallenge Alumnus, and Black Engineer of the Year Awardee.

Leadership 2

Emily Cunningham (<https://www.linkedin.com/in/emily-cunningham-96820042/>)- Emily has a degree in Economics from Harvard University. She has over ten years of experience bridging the gap between public, private, and social sectors through creative partnerships, advocacy, fundraising, and start-up marketing and development. She began her career as the New England Outreach Coordinator and National Fundraising Coordinator for STAND: A Student Anti-Genocide Coalition, authoring state legislation and overseeing 100 student chapters and coordinating their fundraising and lobbying efforts. She first discovered the vast potential of agriculture and the lack of agricultural capital available to farmers while working in microfinance and enterprise development at SEWA Bank in rural India. Through MIT's D-Lab, she channeled this passion for rural development into affordable technology design, co-designing a Gates Foundation Award-winning multi-crop thresher and Moringa oil processing technologies in rural Ghana that would lay the foundation for MoringaConnect. She has continued her work with D-Lab, scaling affordable technologies into sustainable businesses, and today serves as the Co-founder & COO, focusing on demand-side initiatives including branding, marketing, sales, distribution, business development, and building and formulating our award-winning True Moringa brand. Emily graduated cum laude from Harvard University where she studied economics with a focus on developing economies. She is a Forbes 30 Under 30 Awardee, Echoing Green Fellow, and MassChallenge Alumnus.

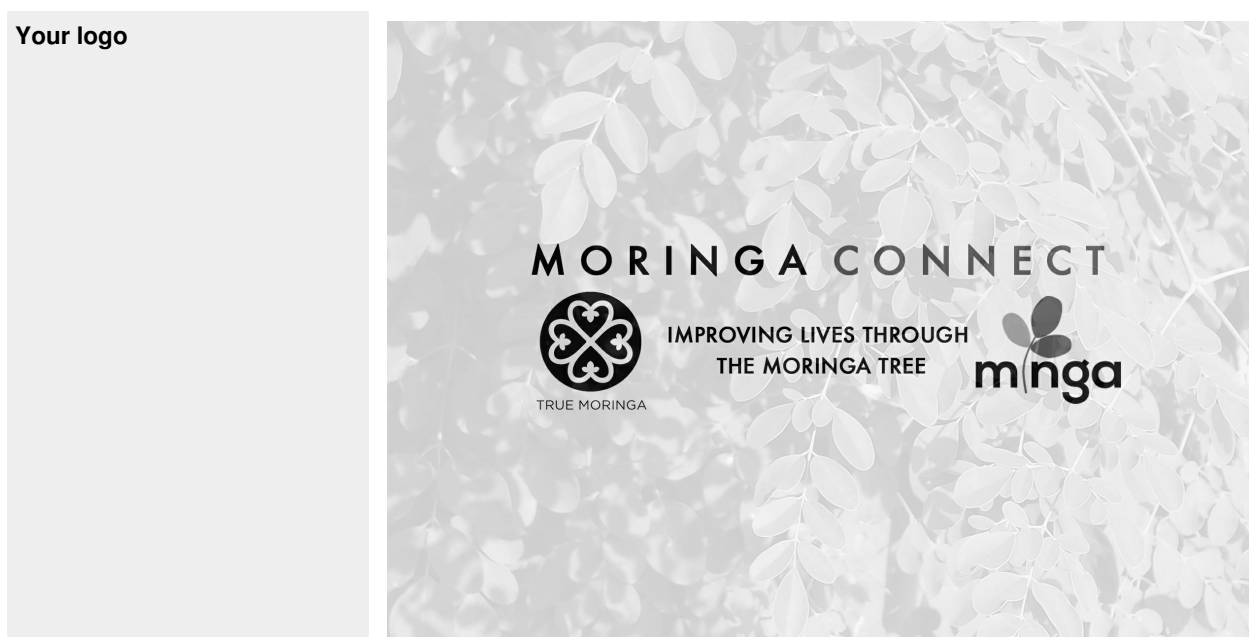
| | |
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| Leadership 3 | Joseph Stein (https://www.linkedin.com/in/joseph-stein-6b9217a5/)- Joseph first came to Ghana in 2012 as a Peace Corps Volunteer. His first two years were spent gaining a deep understanding of rural agriculture and the problems facing smallholder farmers, as well as spearheading public-private partnerships through Peace Corps Ghana. Through these efforts, he established MoringaConnect as a formal partner of Peace Corps Ghana, increasing the number of Peace Corps Volunteers and moringa farmers across Ghana. Joe extended his service to a third year to work for MoringaConnect full-time, as the Relationship Manager and Development Specialist. He was responsible for building relationships between MoringaConnect and international development partners in Ghana, supporting the Minga Foods brand launch and entry into store outlets, and managing the supply side operations in Ghana. Joe currently serves as the Ghana General Manager, managing all the operations and supply side operations in Ghana. |
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| Names, titles, and LinkedIn profiles of all members of the Management team - include organizational chart if available | MoringaConnect Ghana USA Org Chart.pdf |
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| Names, titles, and LinkedIn profiles of all members of the Board | MoringaConnect Co-founder & Board.pdf |
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| | |
|---------------------|---------------------------------|
| Name | Taylor Conger |
| Email | taylor@echoinggreen.org |
| Phone Number | 646-795-4127 |
| Relationship | Echoing Green Portfolio Manager |

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|---------------------|----------------------------|
| Name | Saida Benhayoune |
| Email | saidab@mit.edu |
| Phone Number | 617-324-6009 |
| Relationship | Scale-Ups Program Director |



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| Annual Report | MoringaConnect Logo.jpg Behind the Scenes of 2017 A Year in Review and A Look Ahead – True Moringa.pdf |
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Image 1



[nurserysamsung.jpg](#)

Image 2



[nurserysamsung2.jpg](#)

Image 3



[nurserysamsung3.jpg](#)

Please use this area to input any additional comments, questions, etc. that you feel are relevant.

My sincerest apologies on our delayed submission. We spent the majority of 2017 building the internal systems needed to better manage our financials and map and document our operations. We look forward to working with the Kiva team, as we have in the past, to improve the lives of farmers through the moringa tree. Thank you for your patience.