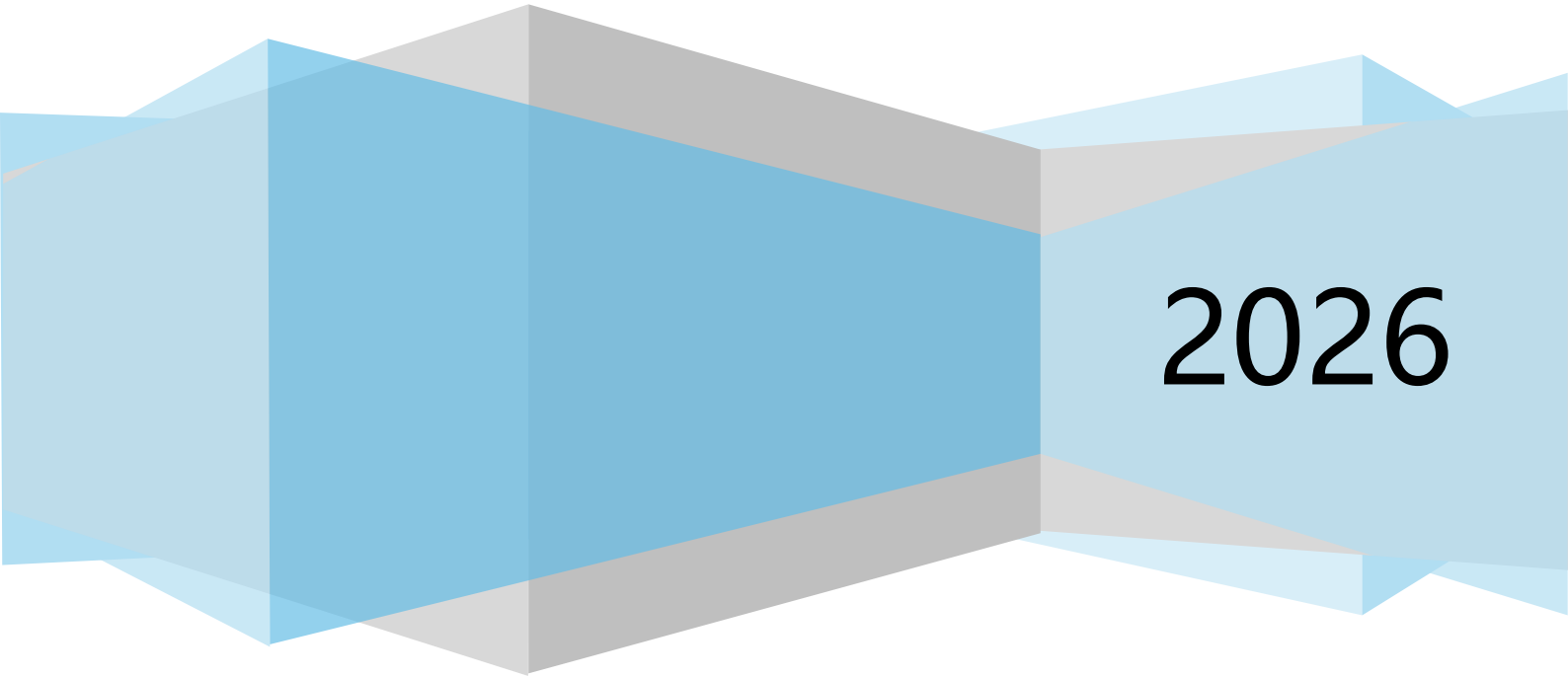


PROOFPOINT

Independent Due Diligence Report
DesertHarvest Technologies Ltd



2026

PROOFPOINT

Independent Due Diligence Report

Company: DesertHarvest Technologies Ltd.

Sector: Agritech

Location: Damaturu, Yobe State, Nigeria

Date: July 2026

Prepared for: ABC Ventures (Sample Client)

Prepared by: ProofPoint

Report Type: Standard Due Diligence

Executive Summary

ABC Ventures asked ProofPoint to carry out an independent review of DesertHarvest Technologies Ltd. before making a proposed investment of **US\$350,000**.

Over a two-week period, we reviewed company documents, interviewed the founders, spoke with customers and partners, reviewed financial records, assessed the product, and carried out market research.

Overall, we found a business solving a real problem for farmers in Northern Nigeria.

The founders understand agriculture, have built relationships with local farming communities, and have shown early signs that farmers are willing to pay for their solution.

However, we also found several areas that need attention before the business is ready to scale.

These include financial controls, customer retention, governance, and measuring business performance.

None of these issues are unusual for an early-stage startup, but they should be addressed as the company grows.

Our Recommendation

Proceed with Caution

We believe this is a promising business with strong market potential. We recommend investing only after agreed milestones are met and support is provided to strengthen the company's operations.

Company Overview

DesertHarvest Technologies was founded in 2023 by three young entrepreneurs from Yobe State.

The company helps smallholder farmers improve crop yields using a mobile platform that provides:

- Weather updates
- Farm advisory services
- Access to quality farm inputs
- Produce aggregation
- Connections to buyers

The business currently operates in:

- Damaturu
- Bade
- Potiskum
- Geidam

The company says it has served approximately **2,800 farmers** across these locations.

Why This Business Matters

Farming remains the main source of income for many families in Yobe State.

Many farmers still struggle with:

- Poor access to quality seeds
- Unpredictable weather
- Limited market information
- Low selling prices

- High post-harvest losses

DesertHarvest is trying to solve these problems through technology while working closely with local extension workers and farmer cooperatives.

The problem is real.

The solution is relevant.

The opportunity is significant.

Founder Assessment

We interviewed all three founders.

CEO

The CEO previously worked with an agricultural development programme for six years.

He understands local farming systems and has strong relationships with farmer groups across Yobe State.

We found him knowledgeable, transparent, and realistic about the company' s challenges.

Chief Technology Officer

The CTO built the current platform and manages product development.

The technology works well, although documentation needs improvement.

Operations Lead

Responsible for field activities and partnerships.

She has built strong relationships with cooperatives and local government agriculture offices.

Our View

This is a committed founding team with complementary skills.

Their biggest challenge is not vision.

It is building the systems needed to grow beyond a founder-led business.

Risk Level: Low

Product Review

We tested the mobile application and web dashboard.

The platform allows farmers to:

- Register their farms
- Receive weather alerts
- Request farm inputs
- Connect with produce buyers
- Receive farming advice

The product is easy to use, even for first-time smartphone users.

The offline SMS feature is particularly valuable in rural communities with weak internet coverage.

Areas for improvement include:

- Better reporting dashboards
- Improved user analytics
- Stronger cybersecurity controls
- More local language support

Product Rating: 8/10

Market Assessment

Northern Nigeria has millions of smallholder farmers.

Demand for digital agriculture services continues to grow because of:

- Climate change
- Rising food prices
- Government support for agriculture
- Increased smartphone adoption

Competition exists, but DesertHarvest has built strong local relationships that larger competitors may struggle to replicate.

Their focus on Yobe gives them a clear advantage.

The market opportunity is attractive.

Customer Validation

We interviewed eight customers.

Most described the platform as helpful.

Several farmers said they received better prices by selling through DesertHarvest's buyer network.

One farmer told us:

"Before using the platform, I sold to whoever came to the village. Now I know the market price before selling."

Three farmers reported higher maize yields after following advisory messages.

However, we also heard concerns.

Some farmers experienced delays in receiving farm inputs during the last planting season.

The company acknowledged this issue and has changed suppliers.

Overall customer satisfaction appears strong.

Financial Review

Revenue has grown steadily over the past two years.

The business earns income from:

- Input sales
- Transaction commissions
- Premium subscriptions
- Advisory services

Revenue growth is encouraging.

However, we found weaknesses.

These include:

- Limited financial forecasting
- No monthly management accounts
- Weak cash flow monitoring
- Manual bookkeeping

The company has recently hired an accountant, which is a positive step.

Financial Risk: Medium

Legal and Compliance

The company is registered with the Corporate Affairs Commission.

Tax registration is complete.

Founders have signed shareholder agreements.

However, we recommend:

- Updating employment contracts
- Registering trademarks
- Reviewing customer data privacy practices
- Formalising board governance

No ongoing legal disputes were identified during our review.

Environmental and Social Impact

The company promotes:

- Climate-smart farming
- Better water management
- Reduced food waste
- Higher farmer incomes

Approximately 38% of registered farmers on the platform are women.

The founders have expressed plans to increase youth participation through digital agriculture training.

We found no significant environmental or social concerns.

Key Risks

1. Founder Dependency

Too many operational decisions depend on the CEO.

Recommendation

Delegate responsibilities and strengthen middle management.

2. Financial Controls

Financial reporting systems are still developing.

Recommendation

Adopt cloud accounting software and monthly financial reporting.

3. Supply Chain Delays

Past delays affected customer satisfaction.

Recommendation

Diversify suppliers and improve inventory planning.

4. Governance

The company currently has no independent board members.

Recommendation

Appoint experienced advisers before raising additional investment.

What We Like

- ✓ Strong understanding of local agriculture
- ✓ Committed founders
- ✓ Product solves a genuine problem

- ✓Positive customer feedback
- ✓Growing revenue
- ✓Large market opportunity
- ✓Good traction for an early-stage business

Areas That Need Improvement

- Financial reporting
- Governance
- Operational systems
- Product documentation
- Customer retention tracking
- Data security

ProofPoint's Overall Assessment

DesertHarvest is solving an important problem in one of Nigeria's most underserved agricultural markets.

The founders have earned the trust of farmers, built a useful product, and shown early commercial success.

The business is still young and has room to improve, particularly in financial management and governance. These are common challenges for startups at this stage and can be addressed with the right support.

We believe the opportunity outweighs the risks, provided the founders continue strengthening the business while scaling responsibly.

Final Recommendation

Proceed with Caution

We recommend investment subject to the following conditions:

- Appointment of an experienced finance manager within six months.
- Quarterly financial reporting.
- Establishment of a formal advisory board.
- Implementation of stronger governance processes.
- Completion of a cybersecurity review before expanding nationally.

With these improvements in place, DesertHarvest has the potential to become one of Northern Nigeria's leading digital agriculture companies.

Appendix

Documents Reviewed

- Certificate of Incorporation
- Pitch Deck
- Business Plan
- Financial Statements
- Bank Statements
- Customer Database
- Product Demonstration
- Shareholder Agreement
- Tax Registration
- Partnership Agreements

Interviews Conducted

- CEO

- CTO
- Operations Lead
- Eight Customers
- Two Farmer Cooperatives
- One Input Supplier
- One Strategic Partner

Disclaimer

This report reflects ProofPoint's independent assessment based on the information made available during the review period. It is intended to support decision-making and should not be interpreted as legal, financial, tax, or investment advice. The final investment decision remains the responsibility of the client.