

ADAP Newsletter - March 2018

Welcome to the first-ever ADAP newsletter! We have much going on, and we want to update you on key highlights as friends and partners of ADAP. We are thankful for your partnership with us in early-stage impact investing, and we welcome your feedback on how we can communicate and partner more effectively. Here's to getting more stuff done!

- Andy Lower and Dan Luscher



ADAP Update: new fund launch

We officially launched ADAP Seed Fund 2 late last year with a thrilling and successful ADAP Deal Room at the SOCAP Conference in October 2017!

44 social enterprises applied to participate, and we selected eight companies operating in seven different countries to undergo our four-hour due diligence process (more on that below). After working through our process and getting to know the entrepreneurs, we agreed to deal terms with two outstanding companies:

- [Neopenda](#), a women-led healthcare startup that has developed a proprietary low-cost, low-power wearable vital signs monitor for newborns, with initial deployment in Uganda; and
- [Good Nature Agro](#), a seed company working with small-scale farmers to comprehensively alter the agricultural supply chain to generate lasting income in Zambia.

ADAP's founder Andy Lower announced the deals from the SOCAP main stage - watch [here](#) - and we shared more about our [approach](#) and [outcomes](#) from the Deal Room on ADAP's blog.

Pipeline and deals



We recently finalized our third Fund 2 deal, leading an investment round in [Drinkwell](#), which to date has brought safe water to over 250,000 people in India and Bangladesh.

ADAP Advisory Services has been working with Drinkwell CEO and co-founder **Minhaj Choudhury** and his team over the last two years. ADAP Capital's investment builds on this existing partnership. Co-investors in the round included TPG Growth's Rise Fund, the 1to4 Foundation, and several individual investors. Drinkwell qualified for the TPG Growth investment by winning the first [Forbes Under 30 Impact Challenge](#).

Read more on [ADAP's blog](#).



We are pleased to have a very robust deal pipeline. Having screened an initial 150 companies, we are actively undergoing due diligence with 15 of them, with several close to closing. We have met quite a few amazing entrepreneurs at the Opportunity Collaboration conference in Ixtapa, Mexico in October, the FLII Central America & Caribbean conference in Antigua, Guatemala in November, and the Sankalp Forum in Nairobi at the beginning of March.

If you are an entrepreneur or have a pipeline of deals for which you looking for investment capital, please fill in our [short application form](#) on the ADAP website.

As we raise more capital in Q1 and Q2, we look forward to announcing more investments.

#ADifferentApproach



We believe that early-stage impact investing suffers from massive inefficiencies. ADAP has developed a different approach that is designed to address these inefficiencies to achieve measurable impact and provide compelling returns for investors. In each newsletter we plan to feature one key element of the ADAP approach.

First up: the Four Hour Due Diligence, which is a signature element of ADAP's investing approach. In summary:

- We believe that early-stage investors who move quickly and decisively will be able to produce better financial returns and create greater impact over time.
- ADAP's rapid yet rigorous process is designed to take only four hours of the entrepreneur's time (hence the name!).
- We believe that time spent with entrepreneurs post-investment is critical, which is why we developed ADAP Advisory Services to focus on structured post-investment support of our portfolio companies.

The ADAP blog outlines the [specific steps](#) in our diligence process and describes our [philosophy on due diligence](#).

ADAP companies in the news



ADAP portfolio company **Sevamob** was named one of the top 10 artificial intelligence solution providers in health care by [Health Care Tech Outlook](#). Congrats to founder **Shelley Saxena** and his team!



Matthew Scanlan, Founder and CEO of ADAP portfolio company **Naadam**, was named a [Forbes 30 Under 30 social entrepreneur](#). Congratulations to Matt! We look forward to seeing his continued impact on the clothing sector.

Where we'll be



ADAP is excited to be a program partner for the first-ever **SEED - Gathering the Impact Ecosystem**, a new event for accelerators, incubators, seed funds, funders, philanthropists, and consultants working within the seed stage impact funding and acceleration ecosystem. This event will take place **April 19-20 at Impact Hub San Francisco**. As a friend of ADAP, you can **save 30% off your ticket** - use code S30_ADAP when you [buy your ticket for SEED](#). If SEED sounds like something a friend or colleague would be interested in attending, please share with them.

We are on the move quite a bit in the coming months, and we hope to meet up with you if our paths cross. We are looking for opportunities to replicate our Deal Room approach at other conferences - please reach out to us if you would like to share ideas about that!