Uganda: Hofokam Ltd, Dioceses of Fort Portal, Hoima, and Kasese

INVESTMENT OVERVIEW

ENTREPRISES
Financial Inclusion: Banking and Lending

USE OF LOAN
- Refinancing of existing Missio Invest loan
- Growing Hofokam’s Gross Loan Portfolio (on-lending to rural and urban clients)

INVESTMENT HIGHLIGHTS
- **Strong cost control and profitability**: Hofokam has been able to realize a growth in portfolio yield from 37% during the initial investment to 44% as at July 2023
- **Growth**: Hofokam is working to become a Microfinance Deposit Taking Institution, lowering their weighted average cost of capital, subject to regulatory approval
- **Strong and Experienced Management**: Hofokam is led by a team of nine qualified managers with over 15 years of experience in MFI lending
- **Established diverse partnerships**: Hofokam’s growth has largely been debt financed establishing loan term relationships with reputable MFI lenders such as Oiko and attracting new lenders like ABC fund
- **Hedging**: The loan is fully hedged via a Cross Currency Interest Rate Swap with MFX Solutions

LOAN DETAILS

<table>
<thead>
<tr>
<th>LOAN AMOUNT</th>
<th>$1,700,000</th>
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<tbody>
<tr>
<td>INITIAL INVESTMENT</td>
<td>9/2021</td>
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IMPACT

SHARED PROSPERITY
- 11,752 customers, 40% women
- Majority of customers are underserved rural and urban poor
- Hofokam has trained 790 village banking groups on financial literacy, credit and savings, record keeping, enterprise selection, planning and management

RESILIENCE / LAUDATO SI’
- $70,000 solar loan from Uganda Energy Credit Capitalization for on-lending to customers
- Hofokam also received a clean technology facility from Abi for on-lending to agricultural customers pursuing climate smart agriculture

STRENGTHENED SOCIAL ENTITIES
- Income supports social programs including schools, health institutions and orphanages in three dioceses

MISSIO INVEST ADVISORY & SUPPORT
- Missio Invest will work with Hofokam’s existing lenders to further strengthen the MFI’s Board and management

Hofokam Ltd.

Headquarters: Fort Portal, Uganda
Gross Loan Portfolio: 5.7MM USD

General Manager Charles Isingoma
A Hofokam Branch Officer works with a Client
Hofokam’s Fort Portal Branch

Hofokam Ltd.